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ABSTRACT

This report on school finance trends in urban areas is based on an analysis of the fiscal and demographic features of 44 major U.S. cities, as these have changed between 1970 and 1980. During this period, urban school systems experienced a median enrollment decline of 25 percent (2.5 times the national average), as a result of declining populations in large cities and changing national demographic trends that reduced the ratio of children to the total population. At the same time, an increased concentration of minority and poor students, coupled with a proportional increase in private school enrollments, has resulted in a greater prevalence of needy children in urban public schools. The dramatic decline in enrollment has led to increased per pupil expenditure in nearly all the sample cities, but the growth in state and federal aid to education has reduced these schools' reliance on local revenue. Because of higher birth rates among the increasingly dominant minority groups, a reversal of the declining enrollments is likely to occur during the next decade. Demographic and fiscal features of individual cities were analyzed in an attempt to identify funding prospects. Thirteen were identified as having good prospects (i.e., expenditures per pupil more than 10 percent above national average); 18 had average prospects (within 10 percent of national average, plus or minus); and 13 had poor prospects (less than 90 percent of national average). (TE)

The Financing of Urban Public Schools: A Report on Selected School Systems

Supplement to Final Report, Volume 1 of the Congressionally Mandated Study of School Finance

U.S. Department of Education

T.H. Bell, Secretary

Office of Educational Research and Improvement

Donald J. Senese, Assistant Secretary

School Finance Project

Joel D. Sherman, Associate Director

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CONTENTS

Introduction and Summary.....1

Demographic Features of Sample Urban School Systems.....1
Financing of the Sample Urban School Systems.....2
Prospects for School Finance in Sample Urban School Systems.....3

Study Design for the Analysis of School Finance in Selected Major Cities...5

Population in Metropolitan Areas and their Racial Composition, 1970 and 1980.....6

Population Changes in Sample Cities.....9
Enrollment Declines.....14
Private School Enrollments.....16
Special Needs Students.....16
Summary.....20

Fiscal Resources in Sample Cities.....22

Per Capita Income.....22
Urban Revenues.....25
Fiscal Effort.....26
Regional Differences among Sample Cities.....29

Education Finances in the Sample Cities.....30

School Revenue Efforts.....30
Intergovernmental Aid for Education.....32
Education Expenditures in Sample Urban School Districts.....34
Prospects for Urban School Expenditures.....36

School Funding Prospects in Sample Cities.....36

LIST OF TABLES

Table I — Population in the United States, classified by Race and Residence in Metropolitan Areas, 1970 and 1980.....8

II — Population Changes in Selected Cities and Counties and their States, 1960-1980.....10

III — Concentration of Black and Hispanic Residents in Selected Cities and Counties, 1970 and 1980.....11

IV — Children Under 18 as a Percent of their City and State Populations in 1970 and 1980.....13

V — Public and Private School Enrollments in Selected Cities and Counties, 1970 and 1980.....15

VI — Number and Incidence of Children in Poverty in Selected Cities and Counties, 1970 and 1980.....17

VII — Limited-English-Proficient Pupils and Special Education Pupils as a Percent of Public School Enrollments in Selected Cities, 1980-1981.....19

VIII — Black and Hispanic Enrollment as a Percent of Public School Enrollment in Selected School Systems and for Selected Years, 1970-1979.....21

IX — Real Per Capita Money Incomes in Selected Cities 1969 and 1979.....23

X — Estimated Local Own-Source Revenue per Capita in Selected Cities, 1969-70 and 1979-80.....27

XI — Estimated Local Fiscal Effort in Selected Cities, 1969-70 and 1979-80.....28

XII — Estimated Local School Revenue Effort in Selected Cities and Counties, 1969-70 and 1979-80.....31

XIII — Revenue Sources for Selected School Systems, Percentage Distribtion, 1969-70 and 1979-80.....33

XIV — Real Current Expenditures Per Pupil in Selected Cities and Counties, 1969-70 and 1979-80.....35

XV — Actual and Estimated Weighted Per Pupil Expenditures for Selected Cities and Counties, 1979-80.....39

XVI — Cities with Poor Funding Prospects, 1980.....41

XVII — Cities with Average Funding Prospects, 1980.....42

XVIII — Cities with Good Funding Prospects, 1980.....43

PREFACE

This paper was prepared in response to the Education Amendments of 1978 (P.L. 95-561, Section 1203(e)(3)(c) calling for an analysis of school finance trends in large urban areas.

Michael V. Hodge was responsible for the initial data collection, calculations and analysis. He was assisted by Linda Addison. Esther O. Tron is responsible for this final version including the assessments of school funding prospects in the sample urban school systems. Mary F. Williams provided important guidance throughout the course of this project.

Donald J. Senese
Assistant Secretary
Office of Educational
Research and Improvement

Introduction and Summary

This study was undertaken in response to the Education Amendments of 1978 P.L. 95-561, Section 1203(e)(3) calling for an analysis of school finance trends in large urban areas. The paper was prepared by the School Finance Project which was established in the U.S. Department of Education to report on a number of issues related to the funding of our nation's schools. In the first volume of the Final Report to Congress, Prospects for Financing Elementary/Secondary Education in the States, the School Finance Project analyzed fiscal and demographic features of the States in an attempt to identify some critical issues for school finance in the next decade. This paper extends the analysis to urban school finances and is issued as a Supplement to Volume 1 of the Final Report. The paper was delayed until an analysis was completed of the 1980 urban demographic Census data that became available this year.

Urban school systems experienced extraordinary declines in enrollments in the 1970s resulting both from declining populations in large cities as well as changing national demographic trends that reduced the ratio of children to total population. The exodus of many Whites from large cities that characterized the 1960s continued into the 1970s though some Black migration also occurred in the later period. The result was to increase the concentration of Blacks and other minorities in central cities. The departure of persons with relatively higher incomes from large cities also resulted in reducing average income levels of urban residents relative to their state averages. In addition, a relatively higher incidence of persons over 65 in cities also tended to depress income averages. Over the decade, the population of large cities has become less wealthy with an increased concentration of minorities and a growing incidence of elderly. Urban school systems reflect some similar demographic features: they are increasingly composed of children who are poor and from minority backgrounds.

This report is based on an analysis of the fiscal and demographic features of 44 cities including some of the largest cities as well as other major cities throughout the country. Though this sample is not designed to represent statistically all urban school systems, it included about 13 percent of the nation's public school children in 1979-80 and over half of the school systems enrolling more than 50,000 pupils.

The Demographic Features of the Sample Urban School Systems

The demographic changes that occurred nationwide were even more pronounced for the school-age population in the sample cities. Following the national trend, they declined as a proportion of total population, and in a majority of places, they comprised a smaller share of the urban population in 1980 than they did nationwide. Those few cities

in the sample in which the proportion of population under 18 exceeded the national average in 1980 also have high incidence of minority pupils. The urban demographic trends produced a median enrollment decline in the sample cities of 25 percent or almost 2 and 1/2 times the national average during the 1970s. At the same time, an increased concentration of Black and/or Hispanic students occurred. The 1980 U.S. Census revealed that some of the sample cities -- mostly in the Northeast -- had more poor children than a decade earlier. And while the number of poor children has declined in some of the urban school systems in the South, they still comprise a larger share of public school enrollment there than they do nationwide. The demographic changes that have occurred in the urban school systems resulted in an increased incidence of minority children in all sample cities and in poor children in some places. In addition, in many of the sample cities, the number of children with limited English proficiency is well above their State and national averages. The sample central cities have become places where the prevelance of educationally needy children is more pronounced than at any time in the past despite large enrollment declines.

Private school enrollments which figure more prominently in central cities than they do nationwide have undergone some significant changes during the 1970s. City data from the 1980 Census reveal that private school enrollments increased as a share of total enrollments in most sample cities. Some relative declines did occur in several sample cities in the Northeast and Midwest, but in a number of these places, private school enrollments still comprised more than 20 percent of the total. A substantial growth in private school enrollments of four percentage points or more occurred in some sample cities elsewhere in the country.

Financing of the Sample Urban School Systems

The extraordinary enrollment declines led to increased per pupil expenditures in virtually all of the sample cities during the 1970s so that by 1978-79, all but four sample urban school systems had per pupil expenditures equal to or greater than their State averages. The growth in intergovernmental education aid both from State and Federal sources provided additional resources for school spending thereby reducing the reliance of these urban school districts on local revenues for education. Some States, by reforming their school finance programs increased their financial aid to cities while the Federal government provided additional aid under various education programs which especially helped some of the sample cities.

These school finance developments occurred in cities where residents have become relatively less prosperous than average State residents during the decade. In all but two sample cities, per capita incomes declined relative to State averages between 1970 and

1980. In 1970, 27 of 44 cities had per capita incomes at or above their State averages; a decade later this number was down to 19. Still, more of the sample cities have own source revenues per capita above State averages than below. During the 1970s, 20 of the sample cities increased own source per capita revenues relative to their State averages despite relative declines in per capita incomes. Some regional variations exist with respect to own source revenues: they tend to be relatively higher than State averages in the North, Southeast and in the Rockies and variable elsewhere.

Local fiscal effort appears to have grown during the decade in the sample cities when locally raised revenues per capita are compared to per capita incomes. In 1980, some 23 cities had estimated fiscal efforts above their State averages. Nevertheless, school tax efforts tend to be low in urban centers. In part, this reflects the relatively smaller share of the total population that public school children comprise in large central cities. It also reflects the heavy intergovernmental aid available to cities. The net result is lower local taxes for public schools.

Prospects for School Finance in Sample Urban School systems

The changing racial composition of central cities points to increased dominance of minority school-age population. In addition, the prevailing birth rate for Blacks and other nonwhites is significantly higher than for whites, a fact which will further cause these public school systems to become increasingly composed of minority students. The U.S. Census for 1980 showed that many of the sample cities had above average incidence of children under five. As these children enter the school systems in the next few years, a reversal in declining enrollment trends is likely to occur similar to that anticipated nationally. What is clear is that central cities have a high incidence of educationally needy children and that their numbers are likely to grow.

Demographic and fiscal features of individual cities were analysed in an attempt to identify funding prospects. Considerable weight was given to the incidence of poor children and of children under five in these cities, and to current spending patterns compared to both State and national averages. A weighting factor was introduced to compensate cities with exceptionally large incidence of poor children. If, for example, a city has an incidence of poor children twice the average for its State, a weighting factor equal to 15 percent of the State's average per pupil expenditure was included to cover the extra costs of educating these children. This weighting factor reflects current practice in pupil weighting for poverty. Pupil weights for each city were adjusted to reflect the actual incidence of poverty children compared to its State average.

Each city was classified as having either good, average or poor prospects based on an estimate of its future level of expenditures per pupil when compared to the United

States average. In making these estimates, the impact on expenditures that any reduction in funds might have was considered as well as the likelihood that enrollment declines might be reversed. Cities with good prospects appear to have the resources to maintain actual or estimated weighted expenditures per pupil at levels more than 10 percent above the national average. Cities with average prospects are likely to have actual or estimated weighted per pupil expenditures within 10 percent of the national average. However, any revenue loss or marked enrollment growth would diminish these prospects. Cities with poor funding prospects are likely to maintain actual per pupil expenditure levels at less than 90 percent of the U.S. average or estimated weighted per pupil expenditures substantilly below their current expenditure levels.

The results of this analysis were as follows:

1. Thirteen sample cities were identified as having good funding prospects on the basis of current expenditure levels and demographic features. All but one are located in the northern half of the country. These are cities that have resources to absorb some reductions in revenue and still spend at levels more than 10 percent above the national average.

2. Eighteen cities were judged to have average funding prospects. These include five cities that are spending within 10 percent of the national average and the county school systems in the sample. The remaining sample cities with average funding prospects have high expenditures when compared to the national average but a relatively high incidence of poor children eliminates this spending advantage. These cities have resources that allows them to spend at average levels, but any reduction in local revenues or intergovernmental aid would cause expenditure to fall to below average levels.

3. Thirteen cities were viewed as having poor funding prospects. These include five sample cities in the Southeast and Southwest that currently spend well below the national average. Also included are seven sample cities where a heavy concentration of poor children converts the high actual per pupil expenditures to estimated levels that are well below current expenditures when a weighting factor required additional resources for poor children. One other city was included among those with poor funding prospects because of the extraordinarily high incidence of children under five who are currently entering its public school system.

These prospects show substantial variations among sample cities. Public school enrollment growths are likely to occur in many sample cities especially among those which had an above average incidence of children under five in 1980. The analysis of the demographic and fiscal features show that many cities will need to provide additional resources to meet enrollment growths or to raise school spending closer to national averages. Any substantial growth in Federal education aid is unlikely. The school finance reform movement that swept the States -- and occassionally provided additional

resources to cities -- has markedly slowed.

To what extent cities will be able or willing to raise additional revenues for schools may be the critical issue. The current urban population composition does not suggest a strong constituency for increasing school taxes. In addition, cities are constrained in levying taxes on businesses because of concerns about business flight. While at the present time, most central city school districts in the sample appear to have favorable levels of expenditures per pupil, it is likely that more than average resources are needed to educate their student populations.

Study Design for the Analysis of School Finance in Selected Major Cities

The urban school finance analysis in this study is based on a sample of 44 elementary and secondary schools systems. Included in this group are the largest local education agencies (LEAs) in 35 States and two or more urban school districts in some of the nation's most populous States, namely Texas, California, New York, Pennsylvania and Ohio. While the sample is not intended to be statistically representative of the nation's large school systems, it includes about 13 percent of the 1979-80 elementary and secondary school students and more than half of the country's school systems with enrollments of more than 50,000 pupils. (See Table II for cities included in the sample survey.)

Study Limitation. A major difficulty in analyzing urban school finances is that the boundaries of urban school districts do not always coincide with city boundaries so that strict comparisons of an urban school district (e.g., school revenues) with features of its city (e.g., per capita income) are not entirely appropriate. In our sample, only the following cities have boundaries that are coterminous with their school districts:

Hartford
Boston
Providence
Washington, D.C.
Baltimore
Newark
Buffalo
New York
Philadelphia
Pittsburgh
Chicago
Detroit
Columbus
Milwaukee
Minneapolis
St. Louis
Birmingham
Atlanta
Memphis
New Orleans
Richmond
Oakland
Denver
Salt Lake City

Current estimates are not available on the proportion of children attending the principal public school system in other sample cities. In 1977, Professor Seymour Sacks at Syracuse University estimated these proportions as follows:

Indianapolis	59%
Omaha	79
Cincinnati	97
Cleveland	99
Kansas City, Mo.	61
Tulsa	97
Dallas	58
Houston	74
San Antonio	44
San Diego	96

Some cities have a major urban school district but one or more additional districts also serve central city public school pupils. These Include: Los Angeles, Albuquerque, Portland and Seattle.

Some urban schools are supported by county school systems. These include Miami, Florida in Dade County, Louisville, Kentucky in Jefferson County, Charlotte, North Carolina in Mecklenburg County and Las Vegas, Nevada in Clark County. The Wilmington, Delaware school system merged with that of Newcastle County during the 1970s but is no longer in that county system. For these places, both county and city data will be provided where available. In general, most of the cities in the three western regions have school districts whose borders diverge the most from city limits. Thus, in the analyses that follow data for three types of urban school systems will be presented: those with identical boundaries as their cities, those without common boundaries and five county school systems which contain within their borders major urban school systems.

For most analyses, a city's demographic and fiscal data are compared with its State averages. This procedure avoids some problems in analyzing urban fiscal data. State data contain financial information of all taxing jurisdictions, the number of which as well as the assignment of fiscal responsibility for public functions vary widely among States. As a result, comparison of some urban fiscal averages among States is likely to be misleading. These data are only useful in showing changes in each locality over time.

Population in Metropolitan Areas and their Racial Composition, 1970 and 1980

The population in the United States grew from 203.3 million in 1970 to 226.5 million in 1980, but virtually no growth occurred in the 318 central cities of the Standard

Metropolitan Statistical Areas (SMSAs) where the population equalled 67.9 million in both years (Table D). About 20 million of the 23 million growth in population occurred in metropolitan areas outside central cities while the balance of the growth occurred in nonmetropolitan areas. About 69 percent of the central city population was White in 1980, another 23 percent was Black and the balance was composed of other racial minorities. Blacks were more heavily concentrated in central cities in 1980 than any other racial group with 58 percent of Black population living there. Only 25 percent of the country's Whites lived in central cities in 1980.

The data for 1980 indicate a drop of six million White inhabitants over 1970 in central cities. This decline is overstated due to Census reclassification of some Spanish-origin persons as "White" in 1970 while they were included in the category of "Other" races in 1980. What is certain is that Black population increased by almost 2 million in central cities between 1970 and 1980 that the White population declined and that the population composed of other racial minorities grew by somewhat less than the 4.4 million difference for this group in the two years. In 1980, Blacks outnumbered other minorities in central cities by a ratio of about 3 to 1.

Black population growth outside central cities in metropolitan areas exceeded slightly the growth in Black city population during the 1970s. By 1980, the movement towards suburbia that characterized White demographic changes was also occurring among the nation's Blacks. The proportion of Blacks in nonmetropolitan areas grew only minimally. In all in 1980, close to three fifths of the Blacks lived in central cities, almost one fourth lived in suburban areas and the remainder, less than one fifth, lived in nonmetropolian areas. Among other racial miniorities, somewhat less than half lived in central cities while a little over one third lived in suburban areas in 1980.

Between 1970 and 1980, while total population in all cities was stable, some of the largest cities experienced population declines. This was especially true in cities with population over 500,000 which declined in number from 26 in 1970 to 22 in 1980. The 56 largest cities with population over 250,000 accounted for 36.1 percent of the urban population in 1980; ten years earlier there were 57 such cities and they accounted for 39.6 percent of the population. Of the 172 cities with populations over 100,000 in 1980, 80 or almost half had lost population in the 1970s. The number of smaller cities with populations between 10,000 and 250,000 grew by 168 during the 1970s with the largest growth in number occurring in cities under 25,000. The population growth in the smaller

Table I

Population in the United States, classified by Race and Residence in Metropolitan Areas, 1970 and 1980 (in millions)

	1970	1980	Percent change 1970-1980
All Races			
Standard Metropolitan Statistical Areas	67.9	67.9	0.1%
Central Cities	85.8	101.5	18.2
Outside Central Cities	49.6	57.1	15.1
Nonmetropolitan Areas			
Whites			
Standard Metropolitan Statistical Areas	53.1	47.0	-11.5
Central Cities	80.5	91.0	13.1
Outside Central Cities	44.2	50.3	13.9
Nonmetropolitan Areas			
Blacks			
Standard Metropolitan Statistical Areas	13.5	15.3	13.0
Central Cities	4.3	6.2	42.7
Outside Central Cities	4.7	5.0	6.5
Nonmetropolitan Areas			
All Other Races			
Standard Metropolitan Statistical Areas	1.2	5.6	382.5
Central Cities	1.0	4.3	321.4
Outside Central Cities	0.7	1.8	153.7
Nonmetropolitan Areas			
United States Total	203.3	226.5	11.4

Note. Differences in Census classification of Spanish-origin persons in 1970 and 198 affect counts. In 1970, the US Census classified as White persons of Spanish origin who reported themselves as "other" but listed places of origin as Mexico, Venezuela, In 1980, such persons were not reclassified. In addition, a much larger proportion o Spanish-origin persons reported themselves as "other" in 1980 than in 1970.

Source: U. S. Bureau of the Census, Statistical Abstract of the United States, 1981.

cities tended to offset declines in the larger cities and led to a stable figure for aggregate urban population.

Population Changes in the Sample Cities.

The majority of cities in the sample experienced population declines during the 1970s. The few exceptions were mainly in the West and to a lesser extent in the South. For most cities with declining populations, the pattern was a continuation of the declines that occurred in the 1960s. Despite these declines population continued to grow in all States except for New York and to a much lesser extent in Rhode Island (Table II).

With the execption of Columbus, Ohic, population declines occurred in all of the sample cities in the Northeast and Midwest including those in the Plains States. In the South, sample cities with population declines in the 1970s outnumbered those that experienced growth. In the Southwest, three sample cities registered dramatic population growths while growth was modest in the remaining two. This is the only region where all sample cities experienced growth. In the Far West, three cities had population growth while three declined, and in the Rocky Mountains, both sample cities had modest population declines. In cities that experienced population growth, annexation of neighboring lands often contributed to the population growth.

Minority Population. In 1980, virtually all of the sample cities had Blacks or persons of Spanish origin in proportions that exceeded the national average of 18 percent for both groups. The only exceptions were Minneapolis and Omaha in the Plains States, and Tulsa, Salt Lake City, Portland and Seattle in the western regions (Table III).

Differences in the degree of minority concentration as well as the composition of the minority population can be found among the sample cities. Those in the Mideast, Great Lakes and Southeast regions tend to have the highest concentrations of Black residents. Within these metropolitan areas a larger proportion of Whites have moved to suburbs than have Blacks. Consequently, despite population declines that have characterized most of the sample cities in these regions the proportion composed of Black residents has generally increased. Interracial differences in fertility have also contributed to the growth in the proportion of minorities in large cities. Although the disparity has narrowed over time, in 1978 the fertility rate of Black and other minority women 15 to 44 years old, was still 30 percent higher than that of their White counterparts.

Persons of Spanish origin are less dispersed than Blacks among the sample cities, but in some places they compose a substantial minority. In 13 sample cities, they accounted for 10 percent or more the the population in 1980. Some regional differences are apparent. Apart from Miami, Spanish origin persons were a minor part of sample city

Table II

Population Changes in Selected Cities and Counties and their States, 1960-1980

	Percent Change in Population 1960-1970	Percent Change in Population 1970-1980	Percent Change in State Population 1960-1970	Percent Change in State Population 1970-1980
United States	13.3%	11.4%		
New England			19.6%	2.5%
Hartford, CT	-2.6	-13.7	10.5	0.8
Boston, MA	-8.1	-12.2	10.5	-0.3
Providence, RI	-13.7	-12.5		
Mideast			22.8	8.4
New Castle County, DE	25.6	3.2	22.8	8.4
(Wilmington)	(-16.1)	(-12.7)		
District of Columbia	-1.0	-15.7	—	—
Baltimore, MD	-3.5	-13.1	26.5	7.5
Newark, NJ	-5.7	-13.8	18.2	2.7
Buffalo, NY	-13.1	-22.7	8.7	-3.7
New York, NY	1.5	-10.4	8.7	-3.7
Philadelphia, PA	-2.6	-13.4	4.3	0.5
Pittsburgh, PA	-13.9	-18.5	4.3	0.5
Great Lakes			10.2	2.9
Chicago, IL	-5.1	-10.1	11.4	5.7
Indianapolis, IN	13.8	-4.9	13.5	4.3
Detroit, MI	-9.3	-20.5	9.8	1.3
Cincinnati, OH	-9.8	-15.0	9.8	1.3
Cleveland, OH	-14.3	-23.6	9.8	1.3
Columbus, OH	-1.7	4.6	11.8	4.2
Milwaukee, WI	-3.2	-14.3		
Plains			12.5	7.0
Kansas, City, KS	-10.0	-4.2	11.5	7.1
Minneapolis, MN	6.7	-14.6	8.3	5.1
Kansas City, MO	-17.0	-11.7	8.3	5.1
St. Louis, MO	18.9	-27.2	5.2	5.7
Omaha, NE		-10.2		
Southeast			5.4	13.1
Birmingham, AL	-10.3	-5.5	37.2	43.5
Dade County, FL	35.6	28.2	37.2	43.5
(Miami)	(14.6)	(3.6)	16.4	19.1
Atlanta, GA	1.6	14.1	6.0	13.7
Jefferson County, KY	13.2	-1.4	6.0	13.7
(Louisville)	(-7.3)	(-11.2)	11.9	15.4
New Orleans, LA	-5.4	-6.1	11.6	15.7
Mecklenburg, NC	30.3	14.0	11.6	15.7
(Charlotte)	(36.3)	(30.4)	10.1	16.9
Memphis, TN	32.1	3.6	17.3	15.0
Richmond, VA	13.4	-12.1		
Southwest			6.9	28.1
Albuquerque, NM	21.2	35.7	9.9	18.2
Tulsa, OK	26.2	9.3	16.9	27.1
Dallas, TX	24.2	7.1	16.9	27.1
Houston, TX	33.6	29.2	16.9	27.1
San Antonio, TX	20.6	20.1		
Rocky Mountain			26.0	30.8
Denver, CO	4.2	-4.5	18.9	38.0
Salt Lake City, UT	-7.4	-7.3		
Far West			27.1	18.5
Los Angeles, CA	13.4	5.5	27.1	18.5
Oakland, CA	-1.6	-6.2	27.1	18.5
San Diego, CA	21.6	25.5	71.3	63.6
Clark County, NV	115.2	69.5	71.3	63.6
(Las Vegas)	(95.3)	(12.8)	18.3	25.9
Portland, OR	2.6	-3.6	19.6	21.1
Seattle, WA	-4.7	-7.0		

Source: U.S. Bureau of the Census, County and City Data Book, 1977 and State and Metropolitan Area Data Book, 1982.

Table III

Concentration of Black and Hispanic Residents
in Selected Cities and Counties
1970 and 1980

	Blacks as a Percent of Population		Spanish Origin Persons as a Percent of Population*
	1970	1980	1980
United States	11%	12%	6%
New England			
Hartford, CT	28	34	21
Boston, MA	16	22	6
Providence, RI	5	12	6
Mideast			
New Castle County, DE (Wilmington)	13 (44)	15 (51)	2 (5)
District of Columbia	71	70	3
Baltimore, MD	46	55	1
Newark, NJ	54	58	19
Buffalo, NY	20	27	3
New York, NY	21	25	20
Philadelphia, PA	34	38	4
Pittsburgh, PA	20	24	1
Great Lakes			
Chicago, IL	33	40	14
Indianapolis, IN	17	22	1
Detroit, MI	44	63	2
Cincinnati, OH	28	34	1
Cleveland, OH	38	44	3
Columbus, OH	19	22	1
Milwaukee, WI	15	23	4
Plains			
Kansas, City, KS	19	25	5
Minneapolis, MN	4	8	1
Kansas City, MO	22	27	3
St. Louis, MO	41	46	1
Omaha, NE	10	12	
Southeast			
Birmingham, AL	42	56	1
Dade County, FL (Miami)	15 (23)	17 (25)	36 (56)
Atlanta, GA	51	67	1
Jefferson County, KY (Louisville)	14 (24)	16 (28)	1 (1)
New Orleans, LA	45	55	3
Mecklenburg, NC (Charlotte)	24 (30)	27 (31)	(1) 1
Memphis, TN	39	48	1
Richmond, VA	42	51	1
Southwest			
Albuquerque, NM	2	3	34
Tulsa, OK	11	12	2
Dallas, TX	25	29	12
Houston, TX	26	28	18
San Antonio, TX	8	7	54
Rocky Mountain			
Denver, CO	9	12	19
Salt Lake City, UT	2	2	8
Far West			
Los Angeles, CA	18	17	28
Oakland, CA	35	47	10
San Diego, CA	8	9	15
Clark County, NV (Las Vegas)	9 (11)	10 (13)	8 (8)
Portland, OR	6	8	2
Seattle, WA	7	10	3

*Persons of Spanish Origin may be of any race.

Source: U.S. Bureau of the Census, County and City Data Book, 1977 and State and Metropolitan Area Data Book, 1982.

population in the South, in the Plains States and in the Great Lakes region, except for Chicago. In three of the sample cities in the Northeast (Hartford, New York and Newark) persons of Spanish origin equalled close to one fifth of the city population. They also compose an important part of the population in many of the sample cities of the Southwest, and in California and Denver.

Population under 18. During the last decade, the decline in the number of children under 18 was as pronounced in all central cities as it was nationwide. In 1980, these children equalled 28.1 percent of the population. A decade earlier, they composed 34.4 percent of the nation's population. Similarly in 1980, school-age children composed a smaller proportion of population in central cities than they did nationwide. In central cities, the proportion of population that was 5 to 17 years equalled 19.1 percent as compared to a national average of 20.9. However, for children under 5 years, the proportion was the same for central cities as it was nationally at 7.2 percent. This last percentage suggests that in forthcoming years, the incidence of school-age children in central cities will move closer to the national average.

Population under 18 in Sample Cities. All of the sample cities experienced a decline in the proportion of their population composed of children under 18, and for almost half, the decline was steeper than for the nation as a whole (Table IV). The population under 18 in the sample cities declined by 23.2 percent over the decade, while the proportion of children in that population went from 31.6 percent in 1970 to 26.1 percent in 1980. The decade of the 1970s continued the trend of the 1960s: children composed a smaller percentage of the population in sample cities than they did elsewhere. Nevertheless, compared to their State averages, 17 of the 43 cities (excluding Washington, D.C.) had a relatively higher proportion of children under 18 in 1980 than they did a decade earlier. These growing proportions of children may signal a reversal in the declines that were characteristic of earlier years.

In eight jurisdictions, the proportion of the population under 18 increased between 1970 and 1980 by five percentage points or more relative to their State averages. Six of these are in the industrial North and the remaining two are Salt Lake City and Oakland. On the other hand, ten cities experienced declines in the proportion of children relative to their States of five percentage points or more, and this change was most notable in the Southwest, in Denver and Seattle and elsewhere in Omaha, Indianapolis, Pittsburgh and Richmond. These data may be highlighting differences in racial composition of urban populations where many of the older cities in the North with their exceptionally large concentrations of minority population appear to have a higher incidence of children than elsewhere in the sample.

Table IV

Children Under 18 as a Percent of their City and State Populations in 1970 and 1980

	Population under 18		Population under 5	Population 5 to 17	Population Under 18 Compared with Statewide Average	
	1970	1980	1980	1980	1970	1980
New England	30.6%	29.0%	7.8%	21.2%	91%	109%
Hartford, CT	28.4	21.6	5.3	16.3	86	83
Boston, MA	27.2	23.2	6.3	16.9	86	87
Providence, RI						
Mideast						
New Castle County, DE	36.0	27.5	6.7	20.8	100	98
(Wilmington)	(32.3)	(28.4)	(7.3)	(21.1)	(90)	(101)
District of Columbia	29.6	22.5	5.4	17.1	—	—
Baltimore, MD	33.5	27.0	6.7	20.3	95	97
Newark, NJ	37.3	34.1	8.7	25.4	112	124
Buffalo, NY	30.8	25.2	6.6	18.6	88	94
New York, NY	28.3	25.0	6.7	18.3	88	94
Philadelphia, PA	31.1	25.9	6.4	19.5	95	95
Pittsburgh, PA	28.4	21.3	5.3	16.0	87	81
Great Lakes						
Chicago, IL	32.1	28.4	7.7	20.7	94	100
Indianapolis, IN	36.2	28.6	7.6	21.0	102	97
Detroit, MI	32.6	30.3	7.9	22.4	89	102
Cincinnati, OH	31.0	25.3	7.5	17.8	88	88
Cleveland, OH	33.6	27.8	7.8	20.0	96	97
Columbus, OH	32.7	25.8	7.6	18.2	93	90
Milwaukee, WI	32.7	27.0	7.8	19.2	91	93
Plains						
Kansas City, KS	35.2	29.6	8.2	21.4	106	108
Minneapolis, MN	26.6	19.9	6.0	13.9	73	69
Kansas City, MO	32.3	26.5	7.2	19.3	97	96
St. Louis, MO	31.8	26.1	7.1	19.0	96	94
Omaha, NE	35.3	27.6	7.2	20.4	103	97
Southeast						
Birmingham, AL	32.5	26.7	7.5	19.2	91	90
Dade County, FL	29.3	24.0	5.8	18.2	94	99
(Miami),	(29.4)	(21.3)	(5.6)	(15.7)	(95)	(88)
Atlanta, GA	32.2	26.8	7.1	19.7	90	89
Jefferson County, KY	35.7	27.7	7.3	20.4	103	94
(Louisville)	(22.0)	(25.0)	(6.9)	(18.1)	(92)	(84)
New Orleans, LA	34.0	28.8	7.9	20.9	89	91
Mecklenburg, NC	35.8	27.8	6.7	21.1	103	102
(Charlotte)	(34.9)	(27.7)	(6.7)	(21.0)	(101)	(98)
Memphis, TN	36.1	29.1	7.7	21.4	107	103
Richmond, VA	30.5	22.3	6.0	16.3	89	81
Southwest						
Albuquerque, NM	36.8	27.9	7.8	20.1	92	92
Tulsa, OK	33.6	25.7	7.3	18.4	103	80
Dallas, TX	34.1	26.9	7.4	19.5	96	89
Houston, TX	35.8	28.3	7.9	20.4	100	93
San Antonio, TX	38.4	32.3	8.6	23.7	108	106
Rocky Mountain						
Denver, CO	30.4	22.5	6.7	15.8	87	80
Salt Lake City, UT	32.1	24.8	8.9	15.9	53	65
Far West						
Los Angeles, CA	30.2	25.2	7.1	18.1	91	93
Oakland, CA	27.4	24.3	6.9	17.4	82	90
San Diego, CA	30.5	24.2	6.4	17.8	92	90
Clark County, NV	35.9	27.7	7.2	20.5	103	103
(Las Vegas)	(35.9)	(28.0)	(7.3)	(20.7)	(103)	(104)
Portland, OR	28.0	21.8	6.5	15.3	84	80
Seattle, WA	25.5	17.6	4.9	12.7	75	64
United States	34.4	28.1	7.2	20.9		

Source: U. S. Bureau of the Census, 1970 Census of Population and State and Metropolitan Area Data Book, 1982.

In 1980, the majority of sample cities had their proportion of school-age children relative to their total population below the national average of 20.9 percent. Only nine sample cities had an average or above-average incidence of school-age population. These cities were located in the East except for San Antonio. Three cities had an incidence of school-age population in excess of 22 percent, namely Newark, Detroit and San Antonio. These cities also had above average incidence of children under five.

Data on the incidence of children under five provide important clues as to what is happening to school enrollments at the present time in the sample cities. In 1980, almost half of the sample cities had a proportion of children under five that exceeded the national average of 7.2 percent. These included all of the sample cities in the Great Lakes and Southwest regions, Hartford, Newark and Wilmington in the Northeast, three of the six cities in the South (Birmingham, New Orleans and Memphis), and Las Vegas. Interestingly enough, the largest percentage of children under five was in Salt Lake City at 8.9 percent, while its total under 18 population though growing was remarkably below the national average share in 1980. Newark had the second largest incidence of children under five.

At the other extreme, cities which are experiencing the least growth in new school-age children include Boston, Washington, D.C., Pittsburgh, Miami and Seattle, all of which in 1980 had the lowest proportion of childrn under five in the sample. All of the sample cities in the Far West had below average incidence of children under five except for Las Vegas. Cities with below average proportions of children under five in 1980 are the ones that are now experiencing below average additions to school enrollment and vice versa. To be sure, this summary ignores changes that are due to migration, but it does provide some clues to changes in the school-age population that are now occurring in the sample cities.

Enrollment Declines. For the nation as a whole, public school enrollment fell by nearly 11 percent between 1970 and 1980. However, for the large cities examined in this report, the decline was more dramatic. In the majority of these cities, enrollments shrank by more than 20 percent between 1969 and 1979 -- a rate close to twice the national average (Table V). Even enrollments in sample cities in growing States such as Utah, Texas and Florida underwent substantial reductions. Over the decade, 14 of the sample districts experienced enrollment losses at rates more than twice the average of their respective States. For most of these, the greatest decline occurred during the first half of the decade, a period during which the overall reduction in statewide enrollment was just beginning to escalate. In a small number of these school systems, enrollment declines did not exceed their State averages, most notably in Hartford, New York and

Table V

Public and Private School Enrollment in Selected Cities and Counties, 1970 and 1980
(In thousands)

	1970 Enrollments			1980 Enrollments			Percent Change in Public School Enrollments 1970-1980	Private School Enrollment as a Percent of Total Enrollment	
	Public Schools	Private Schools	Total	Public Schools	Private Schools	Total		1970	1980
United States	45,909.1	5,696.1	51,605.2	40,984.1	5,043.7	46,027.8	-10.7%	11.0%	11.0%
New England									
Hartford, CT	27.9	5.5	33.4	26.1	3.4	29.5	-6.5%	16.3	11.5
Boston, MA	96.8	34.0	130.3	69.5	26.7	96.2	-28.2	26.0	27.7
Providence, RI	24.6	9.2	33.8	19.3	6.9	26.2	-21.6	27.4	26.3
Mideast									
New Castle County, DE (Wilmington)	86.2 (14.8)	17.1 (3.9)	103.3 (18.7)	64.0 (12.5)	20.1 (2.6)	84.1 (15.1)	-25.8 (-15.6)	21.2 (20.9)	23.8 (17.2)
District of Columbia	144.2	18.5	162.7)	97.3)	18.3)	115.6	-32.5	11.4	16.8
Baltimore, MD	191.9	30.8	222.7	140.5	24.3	164.8	-26.8	13.9	14.7
Newark, NJ	84.2	12.5	96.7	73.1	10.9	84.0	-13.2	13.0	13.0
Buffalo, NY	73.9	30.5	104.4	50.5	17.0	67.5	-31.7	29.5	33.7
New York, NY	1173.2	395.2	1568.4	1000.6	313.0	1313.6	-14.8	25.2	23.8
Philadelphia, PA	287.5	149.7	437.2	233.9	109.5	333.4	-42.1	34.3	32.8
Pittsburgh, PA	75.7	37.7	113.4	69.1	20.7	60.8	-35.3	33.3	29.7
Great Lakes									
Chicago, IL	585.0	189.9	774.9	484.4	141.4	626.8	-17.2	24.5	22.6
Indianapolis, IN	170.3	23.0	193.3	125.7	19.3	145.0	-26.2	11.9	13.3
Detroit, MI	288.2	63.5	351.7	228.7	45.1	273.8	-20.3	18.0	16.5
Cincinnati, OH	77.8	20.3	98.1	53.2	14.8	68.0	-31.5	20.7	21.8
Cleveland, OH	149.8	30.9	180.7	91.2	24.7	115.9	-36.2	17.1	21.3
Columbus, OH	108.8	14.3	123.1	87.6	13.7	101.3	-17.5	11.7	13.5
Milwaukee, WI	131.6	38.6	170.2	93.0	29.8	122.8	-29.3	22.7	24.3
Plains									
Kansas, City, KS	34.0	6.1	40.1	29.3	4.2	33.5	-13.9	13.8	12.5
Minneapolis, MN	68.4	14.4	82.8	41.2	8.3	49.5	-28.8	17.4	16.8
Kansas City, MO	107.0	15.5	122.2	71.6	14.2	85.8	-33.1	12.7	16.6
St. Louis, MO	114.9	20.3	144.2	65.7	21.0	86.7	-42.8	20.3	24.2
Omaha, NE	69.3	20.4	89.7	51.3	13.1	64.4	-26.0	22.8	20.3
Southeast									
Birmingham, AL	67.0	5.2	72.2	49.8	6.2	56.0	-25.7	7.2	11.1
Dade County, FL (Miami)	244.9 (95.0)	36.5 (35.7)	281.4 (130.7)	245.6 (45.0)	52.3 (10.1)	297.9 (55.1)	0.3 (-52.6)	13.0 (22.7)	17.6 (18.3)
Atlanta, GA	105.0	7.9	112.9	74.2	8.5	82.7	-29.3	7.1	10.3
Jefferson County, KY (Louisville)	144.5 (67.5)	36.7 (37.5)	181.2 (105.0)	102.9 (41.0)	34.6 (11.3)	136.9 (52.8)	-28.8 (-39.3)	20.3 (20.3)	25.3 (22.3)
New Orleans, LA	111.4	38.2	149.6	85.6	32.3	118.0	-23.2	25.6	27.5
Mecklenburg, NC (Charlotte)	83.4 (54.0)	6.9 (4.6)	90.3 (58.6)	76.5 (59.0)	9.8 (7.9)	86.3 (66.9)	-8.3 (9.0)	8.0 (7.8)	11.4 (13.9)
Memphis, TN	147.6	15.4	163.0	114.0	26.5	140.5	-22.8	9.5	18.9
Richmond, VA	52.9	3.8	56.7	31.9	5.2	37.1	-39.7	6.8	14.0
Southwest									
Albuquerque, NM	60.1	6.0	66.1	60.4	6.6	67.0	0.5	9.1	9.9
Tulsa, OK	77.7	4.8	82.5	59.7	6.1	65.8	-23.7	5.8	9.3
Dallas, TX	176.0	21.1	197.1	151.3	21.3	172.6	-14.0	10.6	12.3
Houston, TX	291.3	24.3	315.6	288.0	30.7	318.7	-1.1	7.7	9.6
San Antonio, TX	161.2	23.5	184.7	165.4	18.0	183.4	2.6	13.2	9.8
Rocky Mountain									
Denver, CO	96.0	14.9	110.9	64.0	12.3	76.3	-33.3	14.8	16.1
Salt Lake City, UT	35.2	1.6	36.8	22.7	1.4	24.1	-35.5	4.7	5.8
Far West									
Los Angeles, CA	534.1	76.7	610.8	441.4	94.0	535.4	-17.4	11.8	17.6
Oakland, CA	64.2	8.8	73.0	51.3	8.7	60.0	-20.1	12.1	14.5
San Diego, CA	144.7	12.0	156.7	139.3	15.6	154.9	-3.7	7.7	10.1
Clark County, NV (Las Vegas)	66.2 (30.7)	2.4 (1.6)	68.4 (32.3)	87.5 (30.9)	4.1 (1.8)	91.6 (37.7)	32.2 (0.7)	5.0 (13.3)	4.5 (5.5)
Portland, OR	68.2	10.2	78.4	47.3	7.5	54.8	-30.6	22.0	13.7
Seattle, WA	87.9	13.4	101.3	50.6	12.1	62.7	-42.4	13.3	19.3

Source: U.S. Bureau of the Census, Advance Estimates of Social Economic and Housing Characteristics, State Supplementary Reports for Counties and Selected Places, 1970 and 1980 editions.

Philadelphia. These enrollment data are drawn from the U.S. Census and reveal the number of children enrolled in schools within city limits rather than enrollments in urban school districts, many of whose boundaries are not coterminous.

Private School Enrollment. Despite private school enrollment declines equal to 15 percent in the sample cities between 1970 and 1980, they were relatively as important in 1980 as a decade earlier. In 1980, private school enrollments accounted for 19 percent of enrollments in the sample cities or counties and substantially above the national average of about 11 percent. In that year, private school enrollments accounted for more than one fifth of total urban enrollments in 15 of the sample cities or counties, ranging from 20.3 percent in Omaha to a high of 32.8 percent in Philadelphia. Recent Census data show private schools increasing their share of school enrollments despite the sharp enrollment declines in a majority of sample cities between 1970 and 1980. In six of the 14 cities in which the share composed of private school enrollment declined, it still accounted for more than 20 percent of total enrollment. In all but seven sample cities, private school enrollment share exceeded the national average of 11 percent. Some sample cities in virtually all regions experienced growths in the share of private school enrollments of about 4 percentage points or more. Included in this group are Buffalo, Washington, D.C., Cleveland, the two sample cities in Missouri, a few southern cities and Los Angeles. The private school enrollment share virtually doubled in Memphis, rising to almost one fifth of enrollment. While the numbers enrolled in private schools in the sample cities of the Northeast and Midwest remain the largest, growth trends appear stronger in some sample cities elsewhere in the country. In 1979, over 20 percent of the Whites enrolled in schools in central cities were estimated to be attending private schools while the corresponding rate for Blacks was about 7 percent.

Special Need Students. The growing concentration of minority students in most sample city school systems and increased numbers of poor students in some cities has resulted in a growing number of students with special needs requiring educational services beyond national or even State norms.

Children in Poverty. In all but 11 sample cities, the incidence of children in poverty exceeded the national average of 4.5 percent in 1980 (Table VI). Most of the cities with a lower than average poverty incidence were located in the western regions of the country. The 1980 Census data also reveal that 14 sample cities had a higher number of poverty children in 1980 than a decade earlier, despite the declines in the total number of such children that occurred during this period. Nine of these cities were located in the Northeast and Great Lakes Regions, two in the South (Miami and Atlanta), and two were in California.

Table VI

Number and Incidence of Children in Poverty in Selected Cities and Counties, 1970 and 1980

	1970		1980	
United States	10,397,000	5.0%	10,021,000	4.5%
New England				
Hartford, CT	11,200	7.3%	15,100	11.6%
Boston, MA	37,300	6.1	36,600	6.9
Providence, RI	11,100	6.4	10,800	7.3
Mideast				
New Castle County, DE	13,700	3.6	15,300	4.0
(Wilmington)	(7,700)	(9.7)	(7,300)	(10.5)
District of Columbia	50,500	7.0	37,600	6.2
Baltimore, MD	73,300	8.0	67,200	8.7
Newark, NJ	43,000	11.3	51,000	15.6
Buffalo, NY	24,700	5.5	27,100	7.8
New York, NY	462,200	5.9	551,500	7.9
Philadelphia, PA	117,500	6.1	128,500	7.8
Pittsburgh, PA	27,200	5.4	21,600	5.3
Great Lakes				
Chicago, IL	213,200	6.4	258,700	8.7
Indianapolis, IN	28,900	3.9	30,500	4.4
Detroit, MI	136,700	3.5	112,600	9.5
Cincinnati, OH	30,300	6.9	27,100	7.3
Cleveland, OH	54,600	7.4	49,000	8.7
Columbus, OH	26,400	5.1	30,200	5.6
Milwaukee, WI	31,900	4.5	38,000	6.1
Plains				
Kansas, City, KS	9,500	6.0	9,400	5.9
Minneapolis, MN	13,700	3.3	12,900	3.6
Kansas City, MO	24,000	4.5	20,300	4.6
St. Louis, MO	50,900	8.3	39,000	9.9
Omaha, NE	13,300	3.9	12,700	4.1
Southeast				
Birmingham, AL	27,700	9.3	23,300	8.3
Dade County, FL	59,400	4.7	74,800	4.7
(Miami)	(21,600)	(6.5)	(24,500)	(7.2)
Atlanta, GA	41,700	8.6	43,700	10.7
Jefferson County, KY	32,200	4.7	30,800	4.6
(Louisville)	(24,700)	(7.0)	(20,800)	(7.1)
New Orleans, LA	86,600	9.1	61,100	11.2
Mecklenburg, NC	18,800	5.4	16,200	4.1
(Charlotte)	(16,300)	(5.9)	(14,900)	(4.8)
Memphis, TN	59,200	9.6	58,700	9.2
Richmond, VA	18,100	7.5	14,400	6.9
Southwest				
Albuquerque, NM	14,700	6.1	14,300	4.3
Tulsa, OK	16,200	4.9	12,900	3.6
Dallas, TX	60,500	4.6	48,600	5.4
Houston, TX	90,100	5.4	75,300	4.8
San Antonio, TX	73,200	9.9	72,200	9.4
Rocky Mountain				
Denver, CO	25,000	5.0	21,700	4.5
Salt Lake City, UT	7,800	4.8	7,000	4.4
Far West				
Los Angeles, CA	140,000	5.1	171,500	5.9
Oakland, CA	22,400	6.4	22,400	6.7
San Diego, CA	30,000	4.7	33,900	4.2
Clark County, NV	9,100	3.4	13,500	2.9
(Las Vegas)	(1,700)	(1.2)	(5,600)	(3.4)
Portland, OR	13,000	3.5	12,400	3.4
Seattle, WA	13,300	2.6	5,900	2.4

Source: U.S. Bureau of the Census, 1970 and 1980 Census of Population and Housing. Summary Characteristics for Governmental Units and SMSAs. State Reports.

To some extent, the pattern of growth in the number of poor children that occurred in some northern States and decline in southern States is reflected in the city data. Cities like New York, Newark, Philadelphia, Chicago and Milwaukee all had increased numbers of poor children, while New Orleans, Louisville, Charlotte and Richmond experienced some declines. Sample cities with an incidence of poor children more than twice the national average were Hartford (the highest in our sample), Wilmington, Newark, Detroit, Atlanta, New Orleans, Memphis and San Antonio.

It is likely that the number of children in poverty has increased substantially in the sample cities as it has elsewhere since 1980. The Current Population Survey for 1982 reported an estimated increase of about 30 percent nationwide in the number of poor children since 1979 as inflation and the recession caused more children to slip below the poverty level.

Special Education Students. States exhibit little variation in the proportion of handicapped children served, but the systems examined in this report frequently enrolled special education students at rates higher than both the estimated U.S. average (9 percent) and that of their respective States (Table VII). This was particularly true of most sample cities in New England, the Mideast, Great Lakes and Plains States that accounted for 18 of the 23 cities with above national average share of special education students. In 1980-81, Hartford, Boston, Baltimore, Buffalo, Pittsburgh, Indianapolis and Omaha provided special education services well above their State averages. The Far West and Southwest sample schools systems, on the other hand, had no more than average special education enrollments in that year. The District of Columbia, Detroit, Dallas and Clark County school systems served particularly low proportions of special education students.

Special education enrollment is not only a function of the number of students requiring services, but also of the ability of a school system to identify handicapped students as well as the willingness to provide services. Schools equipped with specialized testing services may be better able to identify and place students. It has also generally been easier to provide services when a large number of students are identified. Thus, the greater proportions of handicapped students served by some large urban school systems is more likely a reflection of differences in student identification and service delivery than of uneven distribution of handicapped students among cities.

Limited-English-Proficient Students. Limited-English-Proficient (LEP) students currently comprise about 2.3 percent of U.S. enrollment, but their incidence varies widely among sample cities. Nineteen of the systems examined in this report had LEP enrollments equal to or above the national rate, but another 14 systems had fewer than

Table VII

Limited-English-Proficient Pupils and Special Education Pupils as a Percent of Public School Enrollments in Selected Cities, 1980-1981

	Limited English Proficient Pupils	Percent of State Average	Special Education Pupils	Percent of State Average
United States	2.3%		9.0%	
New England				
Hartford, CT	14.4	480%	14.3	132%
Boston, MA	19.1	466	18.1	137
Providence, RI	8.6	297	9.9	84
Mideast				
New Castle County, DE (Wilmington)	0.8	133	14.5	103
District of Columbia	2.0		3.5	
Baltimore, MD	1.1	138	16.5	143
Newark, NJ	13.6	332	9.2	102
Buffalo, NY	2.2	440	11.5	149
New York, NY	na	na	8.8	114
Philadelphia, PA	1.8	257	9.0	108
Pittsburgh, PA	0.3	43	11.9	143
Great Lakes				
Chicago, IL	7.5	227	11.0	98
Indianapolis, IN	0.3	75	10.6	131
Detroit, MI	2.3	144	4.8	66
Cincinnati, OH	0.1	33	9.6	102
Cleveland, OH	2.2	733	10.5	111
Columbus, OH	0.1	33	10.8	114
Milwaukee, WI	2.6	289	9.6	116
Plains				
Kansas, City, KS	1.7	155	8.8	105
Minneapolis, MN	*		9.8	127
Kansas City, MO	1.1	550	12.1	85
St. Louis, MO	0.1	50	15.7	110
Omaha, NE	0.8	133	15.8	139
Southeast				
Birmingham, AL	1.1	1100	7.6	84
Dade County, FL (Miami)	10.9	419	7.6	82
Atlanta, GA	0.4	200	8.3	86
Jefferson County, KY (Louisville)	0.2	200	13.6	128
New Orleans, LA	2.4	240	7.9	94
Mecklenburg, NC (Charlotte)	0.6	300	7.8	84
Memphis, TN	0.3	150	9.8	93
Richmond, VA	0.3	60	10.1	116
Southwest				
Albuquerque, NM	2.0	21	10.0	125
Tulsa, OK	0.6	75	9.3	89
Dallas, TX	6.8	83	5.5	65
Houston, TX	8.5	104	7.4	88
San Antonio, TX	18.0	220	8.9	106
Rocky Mountain				
Denver, CO	4.3	187	7.1	91
Salt Lake City, UT	2.8	175	11.2	118
Far West				
Los Angeles, CA	18.9	203	8.5	109
Oakland, CA	5.6	60	6.1	78
San Diego, CA	7.6	82	8.5	109
Clark County, NV (Las Vegas)	1.2	100	5.6	98
Portland, OR	2.9	242	8.1	95
Seattle, WA	5.3	294	7.2	100

*Less than 1 percent.

Source: U.S. Department of Education, Office of Civil Rights, Directory of Elementary and Secondary School Districts and Schools in Selected School Districts: School Year 1980-81.

one percent of their student enrollment classified as LEP. About four-fifths of the LEP students are Hispanic, and the balance are almost equally divided between Orientals and Whites.

While LEP enrollment is not a large factor in determining educational needs in most States, it is important in some urban school systems. LEP students in 1980-81 comprised five percent or more of 13 of the sample school districts. In that year, Hartford, Boston, Newark, Los Angeles, Dade County, and San Antonio each had LEP enrollments of over 10 percent, or more than twice that of their respective States. Providence, Chicago and Seattle also enroll significant numbers of LEP students. Other school systems with relatively large numbers of LEP students had enrollment rates closer to their State averages.

Minority Concentration. In 1980, minorities constituted almost 27 percent of fall enrollment nationwide. Among the sample systems the average was 58 percent. The proportion of minority students attending these large systems was almost invariably more and sometimes several times their respective State average (Table VIII). Even in States with relatively high proportions of minority students, the city systems normally served at least twice the proportion of minority students.

Minority students as a proportion of student enrollment grew in the 1970s in all of the sample districts. This growth was more dramatic during the first part of the decade, coinciding with the more rapid enrollment declines occurring at that time. All of the regions had city school districts with more than 50 percent minority enrollments, but they were less numerous in the Western regions than elsewhere. Cities with the highest minority proportions were found in the Mideast, Southeast and Great Lakes regions. Given present variations in fertility rates between Whites and Blacks, the concentration of Blacks is likely to continue increasing in most sample cities.

Summary. The urban school systems in our sample were characterized by extraordinary enrollment declines in the 1970s. At the same time, an increased concentration of minority students has occurred. The incidence of students in poverty increased in the majority of sample cities, including some where their numbers had declined. Private schools increased their share of enrollments in the majority of sample cities. Despite the diminished size of school enrollments in these urban schools, the current composition of the school population points to a continued strong demand for educational services. In addition, many sample cities in 1980 had a greater than average incidence of preschool-age children. This evidence suggests that the demand for school resources in these cities will rise. We shall now examine the ability of the sample cities to provide fiscal resources.

Table VIII

Black and Hispanic Enrollment as a Percent of Public School Enrollment in Selected School Systems and for Selected Years, 1970-1979

	1970-71	1976-77	1978-79	Percent of State Average 1978-79
New England	67%	79%	82%	540%
Hartford, CT	34	53	56	620
Boston, MA	21	30	33	470
Providence, RI				
Mideast	na	na	25	100
New Castle County, DE (Wilmington)	95	96	95	
District of Columbia	67	75	77	260
Baltimore, MD	86	90	90	350
Newark, NJ	41	49	54	
Buffalo, NY	60	67	69	420
New York, NY	64	66	68	520
Philadelphia, PA	40	46	46	370
Pittsburgh, PA				
Great Lakes	65	74	77	300
Chicago, IL	36	46	47	470
Indianapolis, IN	65	81	86	510
Detroit, MI	45	53	55	390
Cincinnati, OH	59	61	66	470
Cleveland, OH	27	32	36	260
Columbus, OH	29	42	47	780
Milwaukee, WI				
Plains	50	na	69	770
Kansas, City, KS	10	16	19	630
Minneapolis, MN	na	na	69	470
Kansas City, MO	66	72	74	490
St. Louis, MO	20	24	26	370
Omaha, NE				
Southeast	55	69	73	210
Birmingham, AL	46	59	61	200
Dade County, FL (Miami)	69	88	90	260
Atlanta, GA	na	25	26	330
Jefferson County, KY (Louisville)	71	82	84	200
New Orleans, LA	na	36	37	120
Mecklenburg, NC (Charlotte)	52	71	72	350
Memphis, TN	64	80	83	320
Richmond, VA				
Southwest	39	44	43	100
Albuquerque, NM	14	20	22	200
Tulsa, OK	42	61	65	160
Dallas, TX	50	65	69	170
Houston, TX	77	85	86	210
San Antonio, TX				
Rocky Mountain	38	50	53	280
Denver, CO	9	12	12	240
Salt Lake City, UT				
Far West	46	56	63	200
Los Angeles, CA	66	75	na	na
Oakland, CA	23	29	31	100
San Diego, CA	16	19	20	140
Clark County, NV (Las Vegas)	10	14	16	400
Portland, OR	14	20	24	400
Seattle, WA				

na: not available.

Source: U.S. Department of Education, Office of Civil Rights, Directory of Elementary and Secondary School Districts and Schools in Selected School Districts: 1970-71, 1976-77 and 1978-79 school years.

Fiscal Resources in Sample Cities

This section begins with a brief examination of the fiscal conditions of the municipalities in which the sample school systems are located. For those five sample cities whose schools are supported by county resources, both city and county data will be reported where possible. This dual reporting is designed to explore any differences that exist between the two units.

One difficulty in discussing urban fiscal conditions is that no satisfactory measure of fiscal capacity exists. Per capita income, the most commonly used measure, reveals more about the wealth of the resident population than about a city's ability to raise revenues. As is shown below, cities raise most of their local revenues from property and sales taxes. Ideally, a tax capacity measure for cities reflecting these various tax sources would reveal their revenue raising ability. Because no such measure exists for localities, per capita income is used as a measure of fiscal capacity despite its limitations. Per capita incomes are available for all sample cities, therefore the use of the measure facilitates comparisons among cities and over time. This is followed by a discussion of urban own source revenues which reflects both the willingness and ability of cities to tax themselves.

Per Capita Income. The decade of the 1970s was marked by a growing gap between the fiscal capacity of central cities and States as measured in terms of per capita money incomes. In 1979, per capita money incomes in all central cities were nearly $100 below the national average of $7,330 and stood at $7,234 (Table IX). Between 1969 and 1979, per capita money incomes declined in all sample cities relative to their State averages except in Houston and San Diego. In comparison to the national averages, per capita incomes in the sample cities had gone from slightly above to slightly below average over the decade.

In 1969, 23 sample cities had per capita money incomes below the national average, while this was true of 26 cities in 1979. There was, however, considerable variation among regions. Cities with incomes above the national average tended to be located in 1969 in the New England, Great Lakes, Southwest, Rocky Mountain and the Far West regions. In 1979, cities in the three western regions (except San Antonio) and three of the five sample cities in the Plains States had per capita incomes above the national averages. Among the sample cities in the Northeast and Great Lakes regions, only Washington, D.C. and Indianapolis exceeded the national average in 1979 while New York City came close. In the fast growing regions, the Southeast and Southwest, city income

Table IX

Real Per Capita Money Incomes in Selected Cities
1969 and 1979

	Real Per Capita Income 1969*	Real Per Capita Income 1979**	Percent Change 1969-79	Percent of State Average 1969	Percent of State Average 1979
United States	$6,319	$7,330	16%		
New England					
Hartford, CT	6,160	5,559	-10	80%	66%
Boston, MA	6,129	6,555	7	91	88
Providence, RI	6,105	6,189	1	99	91
Mideast					
New Castle County, DE (Wilmington)	7,008 (5,908)	8,131 (6,301)	16 (7)	108 (91)	110 (79)
District of Columbia	7,608	9,016	19		
Baltimore, MD	5,695	5,877	3	92	72
Newark, NJ	4,950	4,325	-9	68	56
Buffalo, NY	5,707	5,929	4	80	79
New York, NY	7,323	7,311	0	102	97
Philadelphia, PA	5,974	6,067	2	98	85
Pittsburgh, PA	6,081	6,845	13	100	95
Great Lakes					
Chicago, IL	6,745	6,945	3	97	89
Indianapolis, IN	6,828	7,585	11	112	107
Detroit, MI	6,354	6,225	-2	96	81
Cincinnati, OH	6,216	6,899	11	98	95
Cleveland, OH	5,600	5,770	3	88	79
Columbus, OH	5,992	6,832	14	95	94
Milwaukee, WI	6,307	7,104	13	105	98
Plains					
Kansas, City, KS	5,614	6,398	14	97	89
Minneapolis, MN	6,901	7,940	15	115	105
Kansas City, MO	6,602	7,495	14	113	103
St. Louis, MO	5,398	5,880	9	92	85
Omaha, NE	6,481	7,575	17	127	108
Southeast					
Birmingham, AL	5,063	5,920	17%	110	99
Dade County, FL (Miami)	6,790 (5,601)	7,838 (6,160)	15 (10)	112 (92)	103 (76)
Atlanta, GA	6,400	6,551	2	123	98
Jefferson County, KY (Louisville)	6,261 (5,857)	7,327 (6,281)	17 (7)	130 (121)	123 (105)
New Orleans, LA	5,356	6,545	22	116	104
Mecklenburg, NC (Charlotte)	6,549 (6,534)	7,870 (7,814)	20 (18)	134 133	127 126
Memphis, TN	5,503	6,480	18	113	105
Richmond, VA	6,228	7,149	15	105	95
Southwest					
Albuquerque, NM	6,121	7,439	22	127	121
Tulsa, OK	6,919	8,936	29	130	129
Dallas, TX	7,305	8,652	18	132	119
Houston, TX	6,543	8,857	35	118	122
San Antonio, TX	4,804	5,734	19	87	79
Rocky Mountain					
Denver, CO	6,998	8,580	23	114	105
Salt Lake City, UT	6,479	7,409	14	121	116
Far West					
Los Angeles, CA	7,800	8,431	8	109	102
Oakland, CA	7,172	7,734	8	100	93
San Diego, CA	6,855	8,165	19	96	98
Clark County, NV (Las Vegas)	7,006 (7,156)	8,270 (8,135)	18 (13)	100 (101)	97 (95)
Portland, OR	7,002	8,090	16	112	109
Seattle, WA	8,024	9,270	16	121	117

*Inflated to 1979 price level.
**Estimated money incomes.

Source: U.S. Bureau of the Census, 1977 Per Capita Money Income Estimates for States, Counties and Incorporated Places and State and Metropolitan Area Data Book, 1982.

has tended to exceed their State averages though this advantage appears to be slipping. The ability of cities in western regions to annex surrounding territory tends to assure them of a strong fiscal base unlike cities in the East where boundaries are more inflexible. Three cities (Hartford, Newark and Detroit) had declines in real per capita income and another nine had little or no growth (less than five percent). Per capita money income growth was lowest in cities in New England, the Mideast and Great Lakes regions, in Atlanta and in two of the three California cities.

Differences in per capita incomes among cities and their State averages increased somewhat during the 1970s. The differentials between city and State incomes were greatest for some of the old northern and midwestern cities - Hartford, Boston, Wilmington, Baltimore, Newark, Buffalo, Philadelphia, Chicago, Detroit, Cleveland and St. Louis - and in Miami and Atlanta in the Southeast. States in the Northeast in which most of these cities are located also had low or moderate rates of income growth and the cities fell further behind their State averages. Elsehwere, the growth rate in city incomes (with a few exceptions) was at average or above average levels but State growth was even greater. Therefore, as a percent of State averages, city incomes declined. Low per capita incomes in these cities reflect the composition of their population, moreso than their revenue raising ability. Indeed, as is shown below some of these same cities raise substantially more revenues per capita than their States or the national average.

Some cities in the sample are part of county school systems, notably Miami, Louisville and Charlotte in the South and Las Vegas in the West. Wilmington was a part of the New Castle county system for the period reviewed here but it is no longer. Income data for these county units are more favorable than for their major cities causing them to benefit from the greater resource base provided the school systems. Wilmington, Miami and Louisville have much lower per capita incomes than their counties while Charlotte and Las Vegas tend to approximate their counties on this measure. The first three cities have substantially deteriorated relative to their State income averages during the 1970s. These cities clearly benefit from the stronger income base in their surrounding counties, though this is no longer true for Wilmington.

Local property values are another important measure of local fiscal ability. Fiscal expansion in many of the municipalities has been hampered by stagnation or very low growth in the local property tax base. Over the decade the rate of growth in the property tax base was below the State average in all but five of the 17 municipalities for which comparable data are available. The exceptions are Milwaukee, Kansas City (Kansas), Tulsa, San Diego and Clark County. Another five jurisdictions experienced

absolute reductions in the value of taxable property, and three of these were cities with similar problems in their income base. The tax base declined by 3.5 percent in St. Louis, by about 5 percent in Detroit and by more than 9 percent in Newark and Buffalo. The most dramatic contraction in the value of taxable property took place in New Orleans, where the tax base shrank by nearly $275 million, or about 27 percent. This shrinkage probably reflects a revaluation program undertaken in Louisiana rather than from a loss of business or residential property.

Urban Revenues. In 1969-70, local revenues comprised 70 percent of aggregate general revenue in all municipalities and 65 percent of revenue in the larger cities. A decade later municipalities placed less reliance on their own source revenues. In 1979-80, these revenues comprised 63 rcent of revenues in all cities and 59 percent in cities with a population of 200,000 or more.

Virtually all of the revenue growth in cities during the 1970s was attributable to increases in State and Federal aid during the first half of the decade. State and federal aid accounted for 28 percent of general revenue in 1969-70 and 42 percent in 1975-76, but dropped to 39 percent by 1979-80. Large municipalities were slightly more dependent on external aid throughout the decade. Between 1969-70 and 1979-80 State and Federal aid grew from 34 to 43 percent of per capita general revenue in large cities. After 1975-76, the Federal government had become a considerably more important revenue source for municipalities of all sizes. During the 1975-76 to 1979-80 period, revenue from State sources declined in real dollar terms while Federal aid grew by one percent in all municipalities and by 17 percent in large cities.

Despite the growth in intergovernmental aid, local revenues remains critical to the fiscal health of cities. In 1979-80, own source revenues for all municipalities were derived from the following sources:

Property taxes	$16.9 Billion	(54%)
Sales and Gross Receipts	8.2 Billion	(26%)
Income Taxes	4.0 Billion	(13%)
Other	2.1 Billion	(7%)

Per capita own source revenues in the sample cities exceeded their State averages in 21 cities in 1969 and a decade later. In this analysis, own source revenues include taxes, current charges and miscellaneous revenues as reported by the U.S. Census. In addition, for sample cities with independent school districts, school revenues were added to municipal revenue. As pointed out earlier, where cities and school district boundaries do not coincide, municipal per capita revenue data are merely estimates. They are shown here primarily to highlight changes which have occurred during the 1970s. In general,

sample cities in New England, the South and West tended to have greater own source per capita revenues than their States while in other regions the range on this measure was considerable (Table X). Differences in the assignment of public functions to government units help account for these variations. Twenty cities managed to increase own source revenues per capita relative to their State averages between the beginning and end of the decade, while in 18 cities, declines in this ratio occurred. When compared to their State averages, the most pronounced declines occurred in Newark, Cincinnati, Milwaukee and New Orleans. Various reasons could account for this decline. In New Orleans, a decline in the property tax base contributed to the decline in local revenues. In Newark and Milwaukee, the share of revenues from State sources doubled during the seventies and this growth was greater in cities than elsewhere in their States.

Fiscal Effort. Fiscal effort which measures own source revenues as a percent of personal income declined in the States between 1970 and 1980. The declines were less sharp in all but six of the sample cities so that by the end of the decade, their fiscal efforts were higher relative to State averages. Declines in per capita incomes in most sample cities compared to State averages contributed to rising municipal fiscal efforts. In addition, since more than half of all municipal revenues is derived from property rather than an income base, these revenues when compared to the shrinking per capita income base (relative to State averages) tended to magnify municipal fiscal efforts.

The division of government functions varies widely among cities and their States so that this division influences the magnitude of own source revenue efforts. Therefore, an appropriate comparion of revenue efforts is between a city and its State average rather than with a national average. In 1980, some 23 of the sample cities had fiscal efforts above their State average. These cities were for the most part located in New England, the Mideast, the Southeast, and the Rocky Mountains. Cities in the Southwest almost invariably had fiscal efforts below their State averges. Elsewhere, a substantial range existed in city efforts and their State averages (Table XI). The fiscal efforts reported in Table XI are accurate only for those cities where school districts and cities are coterminous (See page 5). In all other places, fiscal efforts are merely estimates.

Local fiscal effort, is less a measure of tax burden for city residents than an indication of the ability of cities to raise revenues from a variety of sources other than incomes. Cities raise relatively more revenues from business sources than do States on the average, and where business activities extend beyond city limits, considerable tax exporting occurs. In Hartford, for example, per capita incomes stood at 66 percent of the State average in 1979 while per capita own source revenues were equal to 152

Table X

Estimated Local Own-Source
Revenue per Capita in Selected Cities*
1969-70 and 1979-80
(1979 dollars)

	1969-70	1979-80	Percent Change 1970-1980	Percent of State Average 1969-70	Percent of State Average 1979-80
United States	$501	$527	5%		
New England	772	761	-1	141%	138%
Hartford, CT	840	991	18	145	153
Boston, MA	446	503	13	120	113
Providence, RI					
Mideast					
New Castle County, DE (Wilmington)	1150	1686	47		
District of Columbia	564	566	0	107	98
Baltimore, MD	608	381	-37	101	58
Newark, NJ	354	398	12	46	41
Buffalo, NY	899	1238	38	117	128
New York, NY	608	750	23	145	159
Philadelphia, PA	450	517	15	108	109
Pittsburgh, PA					
Great Lakes	489	470	-4	89	85
Chicago, IL	271	374	38	63	96
Indianapolis, IN	554	657	19	106	103
Detroit, MI	820	718	-12	168	140
Cincinnati, OH	651	663	2	134	129
Cleveland, OH	451	467	4	93	91
Columbus, OH	505	473	-6	98	86
Milwaukee, WI					
Plains	347	377	9	65	64
Kansas, City, KS	477	531	11	97	95
Minneapolis, MN	493	592	20	110	129
Kansas City, MO	608	723	19	136	156
St. Louis, MO	335	510	52	56	84
Omaha, NE					
Southeast	285	498	75	103	163
Birmingham, AL					
Dade County, FL (Miami)	523	707	35	141	185
Atlanta, GA					
Jefferson County, KY (Louisville)	408	528	29	134	121
New Orleans, LA					
Mecklenburg, NC (Charlotte)	279	282	1	87	68
Memphis, TN	525	697	33	154	160
Richmond, VA					
Southwest	317	358	13	113	115
Albuquerque, NM	396	528	33	123	133
Tulsa, OK	426	501	18	108	107
Dallas, TX	337	481	43	86	103
Houston, TX	198	228	15	50	49
San Antonio, TX					
Rocky Mountain	691	961	39	131	149
Denver, CO	428	684	60	119	161
Salt Lake City, UT					
Far West	604	445	-27	81	86
Los Angeles, CA	626	490	-22	84	96
Oakland, CA	394	360	-9	53	70
San Diego, CA					
Clark County, NV (Las Vegas)	479	610	27	92	110
Portland, OR	473	499	5	104	128
Seattle, WA					

*Includes taxes, current charges and miscellaneous revenues. For cities with independent school districts, school revenues were added to those of municipalities. No adjustments were made for boundary differences between school districts and cities, if any.

Source: U. S. Bureau of the Census, City Government Finances, 1969-70 and 1979-80 and Finances of Public School Systems, 1979-80. U. S. Office of Education, Statistics of Local Public School Systems, 1969-70 and U. S. Bureau of the Census, Governmental Finances, 1969-70 and 1979-80.

Table XI

Estimated Local Fiscal Effort in Selectad Cities, 1969-70 and 1979-80

	Own-Source Revenue as a Percent of Per Capica Money Income		Percent of State Average	
	1969-70	1979-80	1969-70	1979-80
New England			176%	211%
Hartford, CT	12.54	13.68	159	174
Boston, MA	13.70	15.12	121	127
Providence, RI	7.30	8.15		
Mideast				
New Castle County, DE (Wilmington)	15.12	18.48		
District of Columbia	9.91	9.63	130	136
Baltimore, MD	12.28	8.42	148	104
Newark, NJ	6.21	6.71	58	52
Buffalo, NY	12.28	16.93	114	132
New York, NY	10.17	12.36	148	186
Philadelphia, PA	7.39	7.55	107	113
Pittsburgh, PA				
Great Lakes	7.25	6.77	91	99
Chicago, IL	4.09	4.93	58	90
Indianapolis, IN	8.73	10.55	111	127
Detroit, MI	13.19	10.41	172	148
Cincinnati, OH	11.63	11.49	151	164
Cleveland, OH	7.53	6.84	98	97
Columbus, OH	8.01	6.66	94	87
Milwaukee, WI				
Plains	6.17	5.89	67	74
Kansas, City, KS	6.92	6.69	85	89
Minneapolis, MN	7.47	7.90	97	120
Kansas City, MO	12.26	12.30	147	186
St. Louis, MO	5.16	6.73	48	77
Omaha, NE				
Southeast	5.63	8.43	93	163
Birmingham, AL	8.15			
Dade County, FL (Miami)	8.17	10.79	115	184
Atlanta, GA	7.55			
Jefferson County, KY (Louisville)	7.62	8.07	115	120
New Orleans, LA				
Mecklenburg, NC (Charlotte)	5.07	4.35	78	65
Memphis, TN	8.43	9.75	147	169
Richmond, VA				
Southwest	5.18	4.81	89	95
Albuquerque, NM	5.72	5.91	95	103
Tulsa, OK	5 83	5.79	82	90
Dallas, TX	5.51	5.43	72	84
Houston, TX	4.12	3.98	58	62
San Antonio, TX				
Rocky Mountain	9.89	11.20	115	139
Denver; CO	6.60	9.23	98	138
Salt Lake City, UT				
Far West	7.74	5.25	75	85
Los Angeles, CA	8.72	6.34	84	103
Oakland, CA	5.75	4.41	55	72
San Diego, CA				
Clark County, NV (Las Vegas)	6.84	7.54	82	103
Portland, OR	5.90	5.38	86	112
Seattle, WA				

Source: Calculated from Tables IX and X.

percent of the State average. And in Cleveland, with own source revenues at 129 percent of the State average in 1979, the city's per capita income equalled only 79 percent of the State average. It is also important to note that population declines in the sample cities drove up revenues per capita (numerator of the fiscal effort fraction) while the exodus of relatively high income persons caused relative declines in per capita incomes (denominator in the fraction). To the extent that taxes are derived from sources other than income, fiscal tax effort based on own source revenues relative to per capita personal incomes is misleading. As indicated above, only 13 percent of all urban tax revenues was derived from income taxes.

Regional Differences Among Sample Cities. No general description fits all sample cities except that they seemed to fall into two major regional divisions. Observations that are true for sample cities in the Northeast and the Midwest including the Plains are not necessarily accurate for the South and West. And even within these regional distinctions, exceptions can always be found. Some cities manage with low fiscal efforts. Others which exert extraordinary high fiscal effort have substantial revenues available to them. In New England, an extremely heavy reliance on property taxes combined with below average incomes in cities produces tax efforts well above average. In Boston, the reliance on property taxes will diminish as revenue rollbacks occur under terms of Proposition 2 1/2. Hartford, with the second lowest per capita incom has the largest tax effort among sample cities. It is likely, however, that revenues derived from business property taxes provide an upward bias to its tax efforts.

Elsewhere in the Northeast-Midwest regions, the imposition of local income taxes helps provide twelve cities with revenues per capita above their State averages. These cities are New York, the two cities in Pennsylvaina, Baltimore, the three Ohio cities, the two cities in Missouri, Detroit, Washington, D.C. and Wilimington. In the South, Birmingham and Louisville, Kentucky also levy income taxes. Only in one (Columbus, Ohio) are per capita own source revenues below State average despite an income tax. This reflects the widespread use of local income taxes in that State rather than an unproductive revenue source for the city. In no other part of the country, did sample cities impose income taxes.

In the South, four of the five sample cities had own source revenues well above State averages by exerting tax efforts above their State averages though these tend to be low by national standards. In the Southwest, incomes above state averages (except in San Antonio) yielded above average own source revenues in the sample cities even with low to moderate tax efforts. In other western cities except for those in California, above average incomes and tax efforts yielded favorable revenues. In California, below

average revenues were reported for San Diego and Los Angeles as a result of low tax efforts applied to average incomes.

On per capita income measures sample cities were poorer than their States in a majority of cases, but this was particularly true in the Northeast and Midwest. More than half the sample cities exert above State average tax efforts and reap comparable own source revenues. But again in the Northeast and Midwest when tax efforts and own source revenues were compared with State averages, efforts were generally greater than the revenue benefits. In the South and West, the reverse was often true.

The possibility of annexing neighboring lands has enabled many western and southern cities to expand their boundaries to include fast growing areas or other prosperous communities. This option is not available to most cities in the Northeast so that their fiscal climate tends to be less bright. And the possibility of business departures are inevitably a cause for concern in some cities whenever the imposition of new taxes is considered. Thus the annexation option tends to reinforce our initial observation that cities in the Northeast and Midwest are quite different from those in the South and West.

Education Finances in the Sample Cities

The proportion of local revenues devoted to public schools declined during the 1970s in the sample cities as it did for the country as a whole. Declining enrollments led to decreases in the share of local revenues required for education. In addition, school finance reform in many States increased the State share of education revenues. Finally, Federal share of education revenue increased markedly in a number of cities.

School Revenue Efforts. Despite the general decline in school tax efforts, some jurisdictions increased their tax efforts. The greatest increases occurred in Hartford, Birmingham, Buffalo, Providence, Omaha, Albuquerque, Philadelphia and Salt Lake City (Table XII). However among these cities, only in Hartford and Birmingham were school tax efforts well above State averages. All of these jurisdictions with the exception of Albuquerque increased school tax efforts relative to State averages by the end of the decade. In all, 14 jurisdictions had higher school revenue efforts compared to their States in 1979-80 than they did a decade earlier.

School tax efforts generally tended to be higher in the Northeast and Midwest than elsewhere. But when compared with State averages, they tended to be much higher only in the South, in Hartford, and in the Ohio cities of Cincinnati and Cleveland. A ratio of school-age children above its State average in Hartford contributed to relatively higher school revenue efforts there. It should be noted that revenue efforts are only estimates

Table XII

Estimated Local School Revenue Effort in Selected Cities and Counties, 1969-70 and 1979-80

	School Revenue Effort 1969-70	School Revenue Effort 1979-80	Percent of State Average 1969-70	Percent of State Average 1979-80
New England				
Hartford, CT	%.24	6.13	116%	174%
Boston, MA	3.20	3.05	68	75
Providence, RI	3.05	3.47	101	104
Mideast				98
New Castle County (Wilmington)	*	1.62	*	
District of Columbia	5.21	4.34	—	—
Baltimore, MD	3.44	2.69	96	78
Newark, NJ	4.24	1.99	107	54
Buffalo, NY	1.90	2.35	56	61
New York, NY	2.73	2.65	80	69
Philadelphia, PA	2.32	2.56	80	99
Pittsburgh, PA	3.00	2.62	103	101
Great Lakes				
Chicago, IL	3.17	2.26	77	75
Indianapolis, IN	1.71	1.00	60	48
Detroit, MI	2.59	2.73	72	69
Cincinnati, OH	3.54	3.46	89	118
Cleveland, OH	5.66	4.24	142	145
Columbus, OH	4.00	2.24	100	76
Milwaukee, WI	4.02	2.84	89	94
Plains				
Kansas City, KS	2.68	2.01	84	61
Minneapolis, MN	3.01	2.49	84	93
Kansas City, MO	2.19	1.72	76	67
St. Louis, MO	3.23	2.53	112	98
Omaha, NE	2.44	2.85	60	67
Southeast				
Birmingham, AL	1.37	2.01	127	176
Dade County (Miami)	1.81	1.42	95	89
Atlanta, GA	2.97	3.19	156	184
Jefferson County (Louisville)	*	1.84	*	160
New Orleans, LA	1.81	1.61	83	166
Mecklenburg, NC (Charlotte)	2.12	1.92	141	107
Memphis, TN	2.27	1.13	119	61
Richmond, VA	3.91	3.79	130	141
Southwest				
Albuquerque, NM	1.07	1.45	96	93
Tulsa, OK	2.78	1.44	125	79
Dallas, TX	2.11	1.83	89	73
Houston, TX	1.88	1.55	80	62
San Antonio, TX	0.87	0.65	37	26
Rocky Mountain				
Denver, CO	3.82	3.08	98	95
Salt Lake City, UT	2.75	2.83	94	101
Far West				
Los Angeles, CA	3.76	0.92	112	68
Oakland, CA	3.31	0.78	99	57
San Diego, CA	2.48	1.28	74	94
Clark County (Las Vegas)	3.12	1.23	95	103
Portland, OR	2.35	2.75	65	72
Seattle, WA	2.42	0.81	91	60

*County and city school districts were consolidated during the decade.

Source: Calculated from data in Table IX and in the U.S. Office of Education, Statistics of Local Public School Systems, 1969-70 and US Bureau of the Census. Finances of Public School Systems, 1979-80.

for those places where school district boundaries and city limits are not coterminous.

Intergovernmental Aid for Education. In the past decade the relative importance of revenue sources for public schools has shifted away from the local level to both the State and Federal governments. This is particularly true for large city school systems. The decline over the decade in the local share of school revenues has been due both to the rapid increase in the Federal education aid and a more favorable treatment of some cities in State aid distributions.

Federal aid to education has always constituted a relatively small proportion of total education revenue, but it has nevertheless been an increasingly important part of urban school budgets. Since the expansion of Federal support for elementary and secondary education targeted resources to Federally-defined "special needs" populations (principally low income, handicapped and limited-English-proficient students), large city school systems with a significant and growing share of these special needs students became increasingly dependent upon Federal aid. In 1978-79, Federal aid accounted for 12 percent of the total revenue in systems with more than 50,000 students, compared to the national average of less than 9 percent.

All but three of the sample systems had above average Federal share of revenues in 1979-80 (Table XIII). Cities which had a particularly high level of dependence on Federal aid in 1979-80 were scattered throughout the country. Newark, Buffalo, Philadelphia, Kansas City (Missouri), St. Louis, New Orleans, San Antonio and Oakland all had Federal shares of 18 percent or more than twice the national average and Cleveland's share was 32 percent.

Most sample districts were less favored with regard to their share of State aid. Twenty-nine city school districts had below their State average shares of revenues in 1969-70. By the end of the seventies that was true for 24 cities. State aid to nine sample school districts had declined relative to State average aid during the 10 year span, but in most of these places, Federal aid had become more important. State aid to cities is mainly below State average in the Southeast and Rocky Mountain regions. Elsewhere there is substantial variation. Federal revenues do not appreciably distort these distribution patterns. Some cities had both Federal and State shares above their State averages, including Boston, Baltimore, Newark, Buffalo and Philadelphia. Some cities including Birmingham, Richmond, Tulsa, Dallas and Houston, had Federal and State shares below their State averages.

A few cities differ markedly from their States relative to their dependence on local revenues. Boston, Baltimore, Newark, Detroit and San Antonio all have much lower dependence on local revenues than other local jurisdictions in their States, and all but

Table III

Revenue Sources for Selected School Systems, Percentage Distribution
1969-70 and 1979-80

	1969-70				1979-80			
	State	Federal	Local and Other	State Share as a Percent of State Average	State	Federal	Local and Other	State Share as a Percent of State Average
United States	35.7%	6.5%	57.8%	—	44.7%	8.9%	46.3%	--
New England								
Hartford, CT	26.1	5.9	67.9	112%	28.5	14.3	57.2	120%
Boston, MA	26.0	6.6	67.3	127	50.5	9.5	40.0	159
Providence, RI	26.1	9.4	64.5	84	27.5	9.3	63.3	81
Mideast								
New Castle County, DE (Wilmington)	*	*	*		53.8	12.6	33.6	92
District of Columbia	NA	13.1	86.9	NA	NA	20.4	79.6	NA
Baltimore, MD	35.8	7.2	57.0	119	48.0	12.7	39.3	146
Newark, NJ	30.4	14.1	55.5	165	64.5	19.5	16.1	197
Buffalo, NY	52.1	12.3	35.6	123	43.7	20.0	36.4	110
New York, NY	35.9	6.9	57.2	85	36.0	15.5	48.6	91
Philadelphia, PA	44.6	11.9	43.5	101	43.6	18.1	38.3	112
Pittsburgh, PA	30.1	11.7	58.2	68	34.6	14.6	50.9	89
Great Lakes								
Chicago, IL	30.1	8.6	61.3	113	39.1	11.5	49.5	114
Indianapolis, IN	34.2	5.0	60.8	97	49.8	14.1	36.1	97
Detroit, MI	39.2	9.3	51.5	105	48.9	14.5	36.7	153
Cincinnati, OH	19.1	8.3	72.6	77	33.6	11.9	54.5	81
Cleveland, OH	17.2	8.0	74.8	69	29.5	32.1	38.4	71
Columbus, OH	21.5	7.0	71.5	86	41.9	13.6	44.5	101
Milwaukee, WI	24.1	5.2	70.7	95	48.1	8.8	43.2	115
Plains								
Kansas, City, KS	23.0	5.9	71.1	78	49.5	10.0	40.5	126
Minneapolis, MN	22.6	7.9	69.5	58	38.8	11.5	49.7	74
Kansas City, MO	26.9	14.3	58.8	86	21.0	21.2	57.9	58
St. Louis, MO	27.2	9.2	63.6	87	38.3	18.1	43.7	105
Omaha, NE	22.4	2.5	75.1	133	23.0	7.8	69.3	135
Southeast								
Birmingham, AL	50.8	12.0	37.2	89	40.4	15.3	44.3	74
Dade County, FL (Miami)	45.6	13.3	41.1	87	53.3	11.9	34.7	95
Atlanta, GA	22.9	6.4	70.7	64	34.6	14.7	50.7	69
Jefferson County, KY (Louisville)	*	*	*		49.5	9.6	40.9	82
New Orleans, LA	48.4	10.6	41.0	95	45.4	20.7	33.9	88
Mecklenburg, NC (Charlotte)	45.1	5.0	49.9	76	49.3	9.1	41.6	88
Memphis, TN	33.5	7.4	59.1	82	34.2	13.6	52.2	88
Richmond, VA	18.9	9.4	71.7	63	23.1	11.0	65.9	66
Southwest								
Albuquerque, NM	58.0	10.9	31.1	99	69.8	9.7	20.6	109
Tulsa, OK	22.4	2.8	74.8	61	38.9	9.1	52.1	76
Dallas, TX	24.5	4.3	71.2	63	36.3	6.6	57.1	79
Houston, TX	34.7	4.7	60.6	89	35.4	9.1	55.5	77
San Antonio, TX	47.7	18.9	33.4	123	53.4	19.3	27.3	117
Rocky Mountain								
Denver, CO	14.9	8.4	76.7	65	27.4	9.4	63.2	68
Salt Lake City, UT	33.8	6.6	56.6	65	30.0	9.8	60.2	57
Far West								
Los Angeles, CA	29.2	5.2	65.6	85	73.2	11.4	15.4	113
Oakland, CA	24.5	13.2	62.3	71	65.1	20.2	14.6	100
San Diego, CA	37.3	9.2	53.5	108	54.3	14.4	31.3	84
Clark County, NV (Las Vegas)	29.8	9.0	61.2	95	68.3	6.1	25.6	100
Portland, OR	14.9	9.1	76.0	74	26.0	10.4	63.7	79
Seattle, WA	34.5	5.0	60.5	74	59.5	13.0	27.6	92

*City and county school systems were not consolidated.

NA: Not applicable.

Source: Department of Health, Education and Welfare, Statistics of Local Public School Systems, Finance, 1969-70 and Bureau of the Census, Finances of Public School Systems in 1979-80.

San Antonio are located in States with generally high dependence on local revenues. Three cities - Newark, Los Angeles and Oakland - had local shares as low as 15 or 16 percent in 1979-80 reflecting the school finance reform law in New Jersey and the increased reliance on State aid due to Proposition 13 in California. At the other extreme, local shares of more than 60 percent were found in Providence, Omaha, Richmond, Denver, Salt Lake City and Portland. These also tended to be located in States typically placing a heavy reliance on local revenues. The exception was Salt Lake City, the one city where the local share was much higher than its State average.

Variations among cities in their dependence on intergovernmental aid declined during the seventies. This was true for both Federal and State aid. In general, central cities are now more dependent on Federal education aid than a decade ago and for many, deep cutbacks in such aid would pose serious revenue shortfalls. That dependence grew rapidly in the last decade, more rapidly than for the nation as a whole. The same was true for State aid but to a lesser extent. States still vary widely in how much aid they provide their large city school systems. In States where the State share tends to be low, cities tend to receive more aid than other districts. Conversely, where State share tends to be high, cities tend to receive less aid than other districts. These differences reflect in part differences in State equalizing aid formulas and relative wealth of cities. Southern States, for example, normally finance a larger share of education, and in these States, cities appear more wealthy than their States on the whole and accordingly benefit less from State aid.

Education Expenditures in Sample Urban School Districts. Between 1970 and 1980, some 32 sample cities experienced real per pupil expenditure growth equal to or greater than the national average of 26 percent (Table XIV). These relatively high expenditure growth rates occurred in all of the sample cities in the western regions, as well as in cities in the South and the Plains. Lower growth rates occurred in some sample cities in the remaining regions from the Great Lakes to New England. But even in these regions there were some remarkable expenditure growth rates, most notably in Boston, Milwaukee, Buffalo, and Indianapolis. Only in New York, Hartford and Philadelphia did per pupil expenditures grow at rates that were well below the national average, but in all three of these places, per pupil expenditures were substantially above this average in 1980 despite the lower growth rates.

By the end of the 1970s, only four sample cities were spending below their State averages, specifically New York, Baltimore, Kansas City (Kansas) and Las Vegas (Clark County, Nevada). A decade earlier, there had been 13 such cities. In 1980, 14 cities had per pupil expenditures below the national mean, and all but one were located in low

Table XIV

Real Current Expenditures Per Pupil in Selected Cities and Counties
1969-70 and 1979-80

City, STATE	Real Current Expenditures Per Pupil* 1969-70	1979-80	Percent Growth in Real Expenditures Per Pupil 1969-70 to 1979-80	Percent of State Average Expenditures 1969-70	1979-80
United States	$1,483	$1,872	26%		
New England					
Hartford, CT	2,333	2,543	9	136%	126%
Boston, MA	1,858	3,199	72	110	148
Providence, RI	2,236	2,768	24	137	126
Mideast					
New Castle County, DE (Wilmington)	**	2,428	**	**	111
District of Columbia	2,096	2,597	24	[illegible]	91
Baltimore, MD	1,573	1,823	16	[illegible]	102
Newark, NJ	1,792	2,390	33	[illegible]	123
Buffalo, NY	2,175	3,035	40	[illegible]	97
New York, NY	2,406	2,605	8	[illegible]	120
Philadelphia, PA	2,060	2,351	14	125	132
Pittsburgh, PA	1,944	2,591	33		
Great Lakes					
Chicago, IL	1,862	2,172	17	112	112
Indianapolis, IN	1,338	1,897	42	99	126
Detroit, MI	1,852	2,229	20	105	109
Cincinnati, OH	1,617	2,209	37	118	123
Cleveland, OH	1,838	2,261	23	134	126
Columbus, OH	1,506	1,948	29	110	108
Milwaukee, WI	1,627	2,937	81	92	136
Plains					
Kansas City, KS	1,194	1,683	41	81	94
Minneapolis, MN	1,840	2,499	36	111	126
Kansas City, MO	1,590	2,162	36	116	133
St. Louis, MO	1,585	2,103	33	116	120
Omaha, NE	1,188	1,879	58	89	106
Southeast					
Birmingham, AL	819	1,342	64	100	118
Dade County (Miami), FL	1,571	2,041	30	113	115
Atlanta, GA	1,410	2,041	45	132	145
Jefferson County (Louisville), KY	**	1,817	**	**	138
New Orleans, LA	1,160	1,612	39	102	104
Mecklenburg County, NC (Charlotte)	1,292	1,756	36	115	116
Memphis, TN	1,090	1,545	42	112	122
Richmond, VA	1,435	2,156	50	116	134
Southwest					
Albuquerque, NM	1,119	1,799	61	91	103
Tulsa, OK	1,181	1,530	30	112	105
Dallas, TX	1,094	1,770	62	101	119
Houston, TX	1,042	1,632	57	97	110
San Antonio, TX	952	1,495	57	88	100
Rocky Mountain					
Denver, CO	1,590	2,441	54	114	128
Salt Lake City, UT	1,225	1,756	43	105	120
Far West					
Los Angeles, CA	1,548	2,339	51	99	105
Oakland, CA	1,827	2,397	31	116	107
San Diego, CA	1,540	2,339	52	98	105
Clark County (Las Vegas) NV	1,371	1,729	26	96	97
Portland, OR	1,598	2,584	62	96	115
Seattle, WA	1,883	2,834	51	118	139

*1979 dollars.

**Excluded because of consolidation of school districts between 1969-70 and 1979-80.

Sources: National Center for Educational Statistics, Statistics of Local Public School Systems, Finance 1969-70, Table 4; NCES unpublished special analysis of 1979-80 figures of Bureau of the Census, Governments Division; Bureau of the Census, Finances of Public School Systems in 1979-80, Table 8; NCES, Digest of Education Statistics 1981, Table 45.

spending States in the South and West. Ten years earlier, there had been 15 such cities including all that were in this group in 1980.

In ten cities, expenditures had declined when compared to their State averages over the decade. However, only in Baltimore did expenditures fall further below its State average, while in New York expenditures moved from an average level to three percentage points below average. In the remaining eight cities in this group, expenditures remained from two to 26 percent above their State averages.

Prospects for Urban School Expenditures. In general, city school expenditures per pupil are above the national average in States with similar expenditure patterns and vice versa. If enrollments rise in sample cities, which may occur in a number of places, it is unlikely that expenditures per pupil will remain in as favorable a position vis-a-vis their States or national averages as they were in 1980.

The level of Federal aid has remained the same over the past few years. New proposals call for further Federal aid reductions and a devolution of fiscal control to States. Consequently, part of any assessment of the prospects for financing large city schools will need to consider whether States will provide proportionately greater or less intergovernmental fiscal assistance to large school systems. This will depend in part on the role each State has assumed in funding public schools as well as the revenue capacity of the individual States.

Direct State influence on the programmatic and fiscal policy of schools has grown in recent years as States have taken on added responsibility for the financing of public education. In 1978-79 the State share of total spending for elementary and secondary education first began to exceed that of local governments, growing from 39.9 percent of total revenue in 1969-70 to 45.7 percent in that year. In 1980-81 and 1981-82, the State share hovered close to 48.5 percent. This stable State share may reflect the recession in that period or it may signal the end of growing State participation in public school funding.

School Funding Prospects in Sample Cities

The assessment of school funding prospects in individual cities is initially hampered by the seemingly favorable per pupil expenditure patterns that most cities exhibit both in relation to their State and national averages. If expenditure levels alone are examined, most cities would appear to have good propsects. Increasingly however, cities have become centers with growing numbers of poor or minority children whose need for educational resources exceed average levels. The assessment presented in this paper

takes into account the additional resources provided on the average for such children.

A two-stage procedure was followed in assessing school funding prospects for sample cities. In the first stage, per pupil expenditures in sample cities for 1979-80 were compared to the national average to identify those spending above, below or within 10 percent of the national average. In the second stage, urban expenditures were modified to reflect the incidence of poverty among the student population attending urban schools. This incidence of children in poverty was introduced as a weighting factor for disadvantaged children needing additional educational resources. Whenever this incidence in a city exceeded that of its statewide average, actual per pupil expenditure levels were adjusted upward to reflect this differential. The first stage generally sorted cities according to spending levels of the States in which they were located while the second stage reflected estimated impact of the incidence of poverty children on school expenditures themselves in the sample cities or counties. No adjustments were made for limited-English-speaking children for two reasons. First, some of these children are included in the poverty counts. Secondly, the amount of additional resources normally provided to make these children proficient in English is unclear. The incidence of handicapped children was assumed to be the same for cities and States so no weighting factor was introduced for these children.

The incidence of poor children was derived from the 1980 Census data for cities and the county school systems in the sample. However, not all poor children attend the public school system in the city or county in which they reside. Some of these children attend private schools, and in some places the urban and school district boundaries are not coterminous. Despite these limitations, the procedure clarified spending prospects for the sample cities.

Cities whose prospects remain good are those that had per pupil expenditures more than 10 percent above the national average in 1980 and maintained this favorable expenditure level even when allowances are made for the excess (above State average) incidence of children in poverty. Cities with average prospects are those that are spending within 10 percent of the national average and others that are spending more than ten percent above average - - a differential that is eliminated when the excess incidence of poor children is taken into account. Cities with poor funding prospects are those that are spending more than 10 percent below the national average and other cities whose expenditures appear seriously deficient when their excess incidence of poor children are taken into account.

This analysis assumes that cities will maintain real per pupil expenditures at the 1980 level. Any decline in intergovernmental aid, however, would burden some cities

more than others. Here fiscal features such as, urban measures of per capita incomes, own source revenues and tax effort compared to State averages become pertinent. Equally important is the extent of reliance on intergovernmental aid. Should such aid decline, cities with average or poor prospects would need to raise additional revenues locally in order to maintain expenditure levels. Cities with good prospects are those that would appear able to absorb some decline in intergovernmental aid without serious deterioration in their educational programs when compared to their State or national norm.

The incidence of children under five as reported in the 1980 Census also has a bearing on school funding prospects since it provides a clue as to how heavily burdened schools are at the present time with new entrants. Cities whose incidence of children under five exceeded the national average of 7.2 percent by one percentage point were assumed to be burdened on this measure. And finally, the School Finance Project's estimates of State prospects were considered pertinent as an indication of the State environment in which an urban school system exists. Cities with poor funding prospects in States having good propsects could more realistically apply for additional State resources, moreso than if the reverse was true. State prospects appear in Volume 1 of the Final Report to Congress, Prospects for Financing Elementary/Secondary Education in the States. They are based on some fiscal and demographic features of the States, including projections of school-age population by State.

In a study commissioned by the School Finance Project, a pupil weighting equal to 25 percent of instructional cost was determined to be average practice in providing for the additional costs of meeting the educational needs of children in poverty.[1] However, instructional costs on the average are equal to only 61 percent of current expenditures so that add-on costs amount to 15.4 percent of total current expenditures per pupil. Since average expenditure levels for each State reflect these educational outlays for poverty, additional funds are indicated only when the incidence of poor children in a sample city exceeds its State average. To derive estimated expenditures for sample cities, average per pupil expenditures in the State in which a sample city is located is weighted by the educational cost factor equal to the difference in incidence in poverty between a city and its State (Table XV).

The weighting of per pupil expenditures reduced the seeming advantage of a number of cities spending above their State averages. These cities are Hartford,

[1]See "Estimates of Requirements for Adequate School Spending by States" submitted to the School Finance Project by Professor Jerry Miner, Syracuse University, December 31, 1982.

Table XV

Actual and Estimated Weighted Per Pupil Expenditures for Selected Cities and Counties, 1979-80

	Actual Per Pupil Expenditure		Incidence of Children in Poverty in City as a Percent of State Average	Estimated Weighted Per Pupil Expenditure 1/ in City
	City	State		
New England				
Hartford, CT	$2,770	$2,189	370%	$3,093
Boston, MA	3,460	2,462	200	2,839
Providence, RI	2,782	2,234	190	2,542
Mideast				
New Castle County, DE (Wilmington)	2,565	2,355	90	2,318
District of Columbia	2,834	2,834	140 2/	2,190
Baltimore, MD	2,015	2,203	250	2,709
Newark, NJ	2,594	2,499	400	3,646
Buffalo, NY	3,291	3,009	150	3,239
New York, NY	2,751	3,009	150	3,239
Philadelphia, PA	2,575	2,265	210	2,646
Pittsburgh, PA	2,778	2,265	140	2,402
Great Lakes				
Chicago, IL	2,444	2,134	210	2,492
Indianapolis, IN	2,070	1,627	130	1,702
Detroit, MI	2,361	2,220	240	2,695
Cincinnati, OH	2,362	2,000	190	2,275
Cleveland, OH	3,366	2,000	330	2,397
Columbus, OH	2,130	2,000	140	2,122
Milwaukee, WI	3,153	2,325	200	2,681
Plains				
Kansas City, KS	1,932	1,989	180	2,232
Minneapolis, MN	2,801	2,226	110	2,269
Kansas City, MO	2,454	1,946	110	1,976
St. Louis, MO	2,345	1,946	220	2,303
Omaha, NE	2,084	2,069	110	2,100
Southeast				
Birmingham, AL	1,770	1,396	110	1,417
Dade County, FL (Miami),	2,247	1,961	100	1,961
Atlanta, GA	2,236	1,563	160	2,706
Jefferson County, KY (Louisville)	1,962	1,515	70	1,445
New Orleans, LA	1,820	1,742	150	1,875
Mecklenburg, NC (Charlotte)	1,929	1,681	80	1,630
Memphis, TN	1,714	1,441	160	1,573
Richmond, VA	2,394	2,722	160	1,880
Southwest				
Albuquerque, NM	1,970	1,926	60	1,808
Tulsa, OK	1,639	1,579	75	1,519
Dallas, TX	1,940	1,658	195	1,645
Houston, TX	1,787	1,658	80	1,607
San Antonio, TX	1,682	1,658	160	1,810
Rocky Mountain				
Denver, CO	2,573	2,080	130	2,175
Salt Lake City, UT	2,008	1,637	110	1,662
Far West				
Los Angeles, CA	2,526	2,365	150	2,546
Oakland, CA	2,570	2,365	160	2,582
San Diego, CA	2,448	2,365	100	2,365
Clark County, NV (Las Vegas)	1,873	1,901	130	1,988
Portland, OR	2,733	2,513	110	2,551
Seattle, WA	3,005	2,234	80	2,166

1/ Based on estimated addition to per pupil expenditures equal to 15.3 percent of State average for each 100 percent that the incidence of children in poverty exceeds State average.

2/ Compared to national average.

Source: U.S. Census, Finances of Public School Systems, 1979-80 actual city and State expenditure data and Advance Estimates of Social, Economic and Housing Characteris-

Newark, Detroit, and San Antonio. For other cities, estimated weighted expenditures widened the gap existing between State average expenditures and their actual expenditures that are below this average. These cities are Baltimore, New York, Kansas City, KS and Las Vegas in Clark County, NE. For all other cities spending above their State averages, the poverty adjustment did not alter their favorable expenditure levels.

Cities with poor funding prospects include those few with actual per pupil expenditures more than 10 percent below the national average (Table XVI group A). With one exception, (Tulsa), they are located in States with similar funding prospects. Another group of cities (Group B) have poor funding prospects primarily because a wide gap exists between actual expenditures and expenditures adjusted to reflect their extraordinary incidence of children in poverty. In this group, most cities have per capita incomes well below their State averages and tax efforts above State averages. Some had exceptionally high incidence of childrn under five in 1980, children who are now entering their school systems. Salt Lake City is included among those with poor funding prospects because of its exceptionally high incidence of children under five and not because of its expenditure level in that year.

Table XVII displays cities that are likely to continue spending within 10 percent of the national average. Group A includes cities that are spending well above their State averages (except in Omaha and Las Vegas) but are spending within the national average range. Most are located in the Southeast and Southwest and are likely to maintain a spending advantage that is typical for these cities. Group B is composed of cities that are spending well above the national average but their high incidence of poverty virtually eliminates this spending advantage. They are located in the Northeast, Midwest and in California. While per capita income levels for this group are below their State averages, aggregate revenue efforts vary substantially. In general, those exerting above State average efforts also have above State average revenues. Only three cities in this group, all in the midwest, had an above average incidence of chidren under five.

Thirteen cities have good funding prospects (Table XVIII). They are cities located in the northern half of the country from the East to West coasts. With two exceptions, the incidence of poverty exceeds their State (or national average for Washington, D.C.) averages. But even when actual expenditures are weighted by this excess incidence, substantial positive differentials in spending remain. The majority rely heavily on local revenues for schools. Per capita incomes tend to hover about State averages for these sample cities, but revenue efforts in most cases exceed average. Most have a below average incidence of children under five which suggests that future enrollments are not likely to be particularly burdensome. All are located in States with average or good

Table XVI

Cities with Poor Funding Prospects, 1980

	Actual Less Weighted Expenditure[1]	Local Share of School Expenditure	Incidence of Children in Poverty	Per Capita Income	Per Capita Own Source Revenue	Aggregate Revenue Effort	Incidence of Children Under Five	State Prospects[2]
			Compared to State Averages					
Group A[3]								
Birmingham	$353	44%	110%	99%	163%	163%	7.5%	Poor
New Orleans	-55	34	150	104	120	120	7.9	Poor
Memphis	141	52	160	105	68	65	7.7	Poor
Tulsa	120	52	80	129	133	103	7.3	Average
Houston	180	56	80	122	103	84	7.9	Poor
Salt Lake City	346	60	110	116	161	138	8.9	Poor
Group B[4]								
Hartford	-323	57	370	66	137	211	7.8	Good
Newark	-1,052	16	400	56	56	104	8.7	Good
New York	-488	49	150	97	128	132	6.7	Good
Baltimore	-694	39	250	72	98	138	6.7	Good
Detroit	-334	37	240	81	103	127	7.9	Good
Kansas City, KS.	-478	41	180	89	64	74	8.2	Average
San Antonio	-128	27	160	79	49	62	8.6	Poor

1/ Derived from columns 1 and 4, Table XV.

2/ Estimated by the School Finance Project.

3/ Cities spending 10 percent or more below the national average except for Salt Lake City.

4/ Cities with actual expenditures $100 or more below estimated weighted expenditures.

47

Table XVII

Cities with Average Funding Prospects, 1980

	Actual Less Weighted Expenditure[1]	Local Share of School Expenditure	Incidence of Children in Poverty	Per Capita Income	Per Capita Own Source Revenue	Aggregate Revenue Effort	Incidence of Children Under Five	State Prospects[2]
	Compared to State Averages							
Group A[3]								
Dade County (Miami)	$286	35%	100%	103%	--	--	5.8%	Average
Atlanta	530	51	160	98	185%	184%	7.1	Poor
Mecklenburg County (Charlotte)	299	42	80	127	--	--	6.7	Poor
Jefferson County (Louisville)	517	42	70	123	--	--	7.3	Poor
Indianapolis	368	36	130	107	96	90	7.6	Poor
Omaha	-16	69	110	108	84	77	7.2	Average
Clark County (Las Vegas)	-65	26	110	97	--	79	7.2	Poor
Alberquerque	162	21	60	121	115	95	7.8	Average
Dallas	295	57	95	119	107	90	7.4	Poor
Group B[4]								
Buffalo	52	36	150	79	128	52	6.6	Good
Philadelphia	-71	38	210	85	159	186	6.4	Average
Chicago	-49	49	210	89	88	99	7.7	Good
Cincinnati	82	55	190	95	140	148	7.5	Average
Columbus	8	45	140	94	91	97	7.6	Average
St. Louis	42	44	220	85	158	186	7.1	Average
Los Angeles	-20	15	150	102	86	85	7.1	Average
Oakland	-12	15	160	93	96	103	6.9	Average
San Diego	83	31	100	98	70	72	6.4	Average

1/ Derived from columns 1 and 4, Table XV.
2/ Estimated by the School Finance Project.
3/ Cities spending within 10 percent of the national average.
4/ Cities spending more than 10 percent above the national average but close to weighted expenditure level.

Table XVIII

Cities with Good Funding Prospects, 1980*

	Actual Less Weighted Expenditure[1/]	Local Share of School Expenditure	Incidence of Children in Poverty	Per Capita Income	Per Capita Own Source Revenue	Aggregate Revenue Effort	Incidence of Children Under Five	State Prospects[2/]
			Compared to State Averages					
Boston	$621	60%	200%	88%	152%	174%	5.3%	Good
Providence	240	63	190	91	113	127	6.3	Good
New Castle County (Wilmington)	247	34	90	110	--	--	6.7	Good
Washington	644[3/]	80	140[3/]	123[3/]	--	--	5.4	--
Pittsburgh	374	51	140	95	109	113	5.3	Average
Cleveland	969	38	230	79	129	164	7.8	Average
Milwaukee	472	43	200	98	86	87	7.8	Good
Minneapolis	541	50	110	105	95	89	6.0	Good
Kansas City, Mo.	478	58	110	109	129	120	7.2	Average
Richmond	514	66	160	95	160	169	6.0	Average
Denver	398	63	130	105	149	139	6.7	Average
Portland	182	64	110	109	110	103	6.5	Good
Seattle	839	28	80	117	128	112	4.9	Good

1/ Derived from columns 1 and 4, Table XV.

2/ Estimated by the School Finance Project.

3/ Compared to national average.

*Cities with current expenditures more than 10 percent above national average and spending close to or more than 10 percent above weighted level.

funding prospects.

This assessment of school funding prospects in the sample cities parallels the analysis of State funding prospects contained in Prospects for Financing Elementary/Secondary Education in the States, Volume 1 of the Final Report prepared for the U.S. Congress. In assessing their prospects, cities like States in Volume 1 were compared to each other and to the national average. Alternatively, cities could have been assessed on the likelihood of retaining their current expenditure levels. Such an assessment would have ignored as a criteria the level of resources currently provided. Cities with either high or low resources could have been projected as having 'good' prospects merely because they could retain their expenditure levels. A third possibility was to compare a city with its State average. Such comparisons would also have ignored the level of services provided. A city spending substantially more than its State average but considerably less than the national average could conceivably be considered as having 'good' prospects merely because it was projected to continue spending well above its State average. In light of these alternatives, the assessment of school funding prospects in cities based on the likelihood of attaining the national average seems the most illuminating. Comparisons with the national averages could be faulted as ignoring local cost differences. In this assessment, a range in expenditures from 90 percent to 110 percent of the national average was considered as average in order to accommodate some of the local cost variations that do occur. No other adjustment was undertaken because no reliable measure for local cost differences has been developed.

Enrollment declines in the seventies drove up per pupil expenditures in the majority of cities at rates well above their State or national average. Yet the incidence of poverty in these cities points to a need for additional educational resources. One result of the analysis undertaken here is to show which cities have and which do not appear to have the resources for meeting the educational needs of these children at resource levels related to their State or national average.

This prospects analyses did not give undue prominence to the fiscal capacity of cities for various reasons. One, there is no satisfactory measure of local fiscal capacity. Per capita income which is the most common measure does not fully capture the revenues generated by business activities in cities. In addition, poor urban fiscal conditions are not usually reflected in school spending. And finally, urban fiscal capacity is less important in cities than in States because most cities place a relatively greater reliance on intergovernmental aid. If some cities experience enrollment growths, as is likely, they will need to provide additional revenues. Some cities appear to have school resources available to meet this contingency, but most do not. This analysis has

presented the pertinent fiscal and demographic features of sample cities in an attempt to classify them according to school funding prospects that range from good to poor. The 1980-82 recession compelled most States to curb their education aid to school districts and the present Federal Administration is committed to restricting or even reversing the growth in Federal aid. If intergovernmental aid continues to decline, then the number of cities facing school funding difficulties will inevitably grow.